

AMENDED IN ASSEMBLY JUNE 30, 1998

AMENDED IN ASSEMBLY JUNE 16, 1998

AMENDED IN SENATE APRIL 13, 1998

AMENDED IN SENATE MARCH 24, 1998

**SENATE BILL**

**No. 1652**

**Introduced by Senator Kopp**

February 13, 1998

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An act to amend Sections 312, 6715, 16728, ~~22389~~, 22391, ~~22391.1~~, ~~22443.1~~, and ~~22447~~ and ~~22443.1~~ of the Business and Professions Code, to amend Sections ~~1789.18~~, ~~1789.24~~, ~~1789.25~~, ~~1789.26~~, ~~1789.24~~, ~~1812.54~~, ~~1812.64~~, ~~1812.66~~, ~~1812.69~~, ~~1812.103~~, ~~1812.105~~, ~~1812.107~~, ~~1812.54~~, ~~1812.66~~, ~~1812.105~~, 1812.129, 1812.503, 1812.510, 1812.515, 1812.525, ~~1812.600~~, ~~1812.604~~, ~~1812.607~~, and ~~1812.608~~ and ~~1812.600~~ of the Civil Code, to amend ~~Section~~ *Sections* 995.710 and 1279 of the Code of Civil Procedure, to add Section 319 to, and to repeal Section 318 of, the Corporations Code, to amend Sections 12511, 18342, and 19420 of the Education Code, to amend Sections 113, 126, 12302, 12402, ~~13299~~, 23600, 23713, 25004, 34460, 61230, 65584.3, 68083, and 68116 of the Government Code, to amend Sections 2224, 2226, 4739.5, 6501, 13830, 13876, 25395, 32137, 33102, and 34116 of the Health and Safety Code, to amend Sections 9626, 29728, 29731, and 30150 of the Public Resources Code, to amend Sections 7578, 11895, 22258, and 30205 of, and to repeal Sections 7579, 29254, 30944, and 100464 of, the Public Utilities Code, to amend Section 27123 of the Streets and Highways Code, to amend Section 40305.5 of the Vehicle Code, to amend

Sections 30321.5, 30322, 30323, 31006, 34501, and 71598 of, and to repeal Section 34503 of, the Water Code, and to amend Sections 10 and 10.2 of Chapter 545 of the Statutes of 1943, relating to the Secretary of State, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1652, as amended, Kopp. Secretary of State: document filing.

(1) Existing law requires that various documents be filed with, or be maintained by, the Secretary of State.

This bill would delete the requirement that certain documents be filed or maintained by the Secretary of State and would require instead that these documents be filed with, or maintained by, a designated state agency, state officer, county clerk, county board of supervisors, or other local officer, as appropriate. To the extent that this bill would require local agencies to provide a higher level of service, this bill would impose a state-mandated local program.

(2) Existing law requires specified business establishments to maintain a bond issued by a surety company and to file a copy of the bond with the Secretary of State or, in the alternative, to deposit funds with the Secretary of State.

~~This bill would require that a copy of the bond be filed and funds be deposited with the Controller provide that the alternative of depositing funds in lieu of maintaining and filing a bond may not be utilized after January 1, 1999, and that persons who have deposited funds prior to that date may continue to utilize the alternative, but the deposit may not be renewed.~~

(3) Existing law requires the Secretary of State to develop and maintain a registry of distinguished women and minorities who are available to serve on corporate boards of directors. Existing law authorizes the Secretary of State to charge fees for purposes of the registry program and requires that these fees be deposited into the Secretary of State's Business Fees Fund.

This bill would repeal this provision and would authorize the Secretary of State to transfer information contained in the

registry to a campus of the California State University or the University of California that is interested in maintaining the registry. This bill would require the Secretary of State to transfer funds deposited in the Secretary of State's Business Fees Fund to the university selected to maintain the registry, thereby constituting an appropriation. If no university is selected by January 1, 2000, this bill would require the Secretary of State, to the extent possible, to refund the funds to the original registrants with any balance remaining in that fund being transferred to the Controller for administration pursuant to the Unclaimed Property Law.

(4) Existing law authorizes the Controller to designate and appoint, or terminate the appointment of deputy controllers and provides that the appointments and terminations are effective when filed by the Controller in the office of the Secretary of State.

This bill would provide that appointments and termination of appointments are effective when signed by the Controller.

(5) Existing law authorizes the Santa Paula Union High School Public Library District, by resolution of the Santa Paula Union High School District board of trustees, to be governed by a separate 5-member board of trustees who hold office for a term of 4 years. Existing law requires the first board of trustees to classify themselves by lot with regard to the expiration of their terms.

This bill would specify that persons elected to the board of trustees in 1997 shall hold office for a term of 5 years and would change the year that the term expires for each member of the first board of trustees.

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by

the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 312 of the Business and  
2 Professions Code is amended to read:

3 312. The director shall submit to the Governor and  
4 the Legislature during the month of December prior to  
5 each regular session of the Legislature a full and accurate  
6 report of the activities of the department relating to  
7 consumer affairs and an evaluation of the consumer  
8 programs of each state agency. The report shall include  
9 recommendations, when appropriate, for legislation that  
10 will protect and promote the interests of consumers.

11 The required evaluation of the consumer programs of  
12 each state agency shall include, but is not limited to,  
13 comment with respect to the scope, effectiveness, and  
14 efficiency of the consumer programs within each agency  
15 as well as deficiencies noted in the coordination,  
16 administration, or enforcement of the programs.

17 The director shall include within the report  
18 information regarding his or her experience in obtaining  
19 and disseminating information with respect to  
20 information available from other departments of the  
21 state.

22 SEC. 2. Section 6715 of the Business and Professions  
23 Code is amended to read:

24 6715. The executive officer shall keep a complete  
25 record of all applications for registration and the board's  
26 action thereon and, once every two years, shall prepare  
27 a roster showing the names and addresses of all registered  
28 professional engineers, and the names and addresses of  
29 the holders of all delinquent certificates of registration  
30 and certificates of authority.

31 Copies shall be available to the general public. The  
32 roster shall be a public record.



SEC. 3. Section 16728 of the Business and Professions Code is amended to read:

16728. (a) Notwithstanding any other provision of law, motor carriers of property, as defined in Section 34601 of the Vehicle Code, may voluntarily elect to participate in uniform cargo liability rules, uniform bills of lading or receipts for property being transported, uniform cargo credit rules, joint line rates or routes, classifications, mileage guides, and pooling. Motor carriers of property that so elect shall comply with all requirements of Section 14501(c) of Title 49 of the United States Code and with federal regulations promulgated pursuant to that section. The Legislature intends by this section to provide to motor carriers of property the antitrust immunity authorized by state action pursuant to Section 14501(c) of Title 49 of the United States Code.

(b) The election authorized by this section shall be exercised in either of the following ways:

(1) Participation in an agreement pursuant to Section 13703 of Title 49 of the United States Code.

(2) Filing with the Department of Motor Vehicles a notice of adoption of any or all of the uniform cargo liability rules, uniform bills of lading or receipts for property being transported, uniform cargo credit rules, joint rates or routes, classifications, mileage guides, and pooling contained in an identified publication authorized by Section 13703 of Title 49 of the United States Code, along with a written certification issued by the organization establishing those uniform rules or provisions in accordance with Section 13703(g)(1)(B) of Title 49 of the United States Code, affirming participation of the motor carrier of property in the collective publication. The certification shall be made available for public inspection.

(c) The elections made by a motor carrier of property pursuant to this section may be canceled by the motor carrier.

~~SEC. 4. Section 22389 of the Business and Professions Code is amended to read:~~

~~22389. Every invention developer rendering or offering to render invention development services in this state shall maintain a bond issued by a surety company admitted to do business in this state. The principal sum of the bond shall be 5 percent of the invention developer's gross income from the invention development business in this state during the invention developer's last fiscal year, except that the principal sum of the bond shall not be less than twenty-five thousand dollars (\$25,000) in the first or any subsequent year of operations. A copy of the bond shall be filed with the Controller prior to the time the invention developer first commences business in this state. The invention developer shall have 90 days after the end of each fiscal year within which to change the bond as may be necessary to conform to the requirements of this section.~~

~~SEC. 5.—~~

*SEC. 4.* Section 22391 of the Business and Professions Code is amended to read:

22391. (a) When a deposit has been made in lieu of a bond pursuant to ~~Section 22389~~ and Section 995.710 of the Code of Civil Procedure, the person asserting a claim against the deposit shall, in lieu of Section 996.430 of the Code of Civil Procedure, establish the claim by furnishing evidence to the ~~Controller~~ *Secretary of State* of a money judgment entered by a court together with evidence that the claimant is a person described in Section 22390.

(b) When a person has established the claim with the ~~Controller, the Controller~~ *Secretary of State, the Secretary of State* shall review and approve the claim and enter the date of approval thereon. The claim shall be designated an "approved claim."

(c) When the first claim against a particular deposit account has been approved, it shall not be paid until the expiration of a period of 240 days after the date of its approval by the ~~Controller~~ *Secretary of State*. Subsequent claims that are approved by the ~~Controller~~ *Secretary of State* within the same 240-day period shall similarly not be paid until the expiration of the 240-day period. Upon the expiration of the 240-day period, the ~~Controller~~ *Secretary*

1 of State shall pay all approved claims from that 240-day  
2 period in full unless the deposit is insufficient, in which  
3 case each approved claim shall be paid a pro rata share of  
4 the deposit.

5 (d) When the ~~Controller~~ *Secretary of State* approves  
6 the first claim against a particular deposit account after  
7 the expiration of a 240-day period, the date of approval of  
8 that claim shall begin a new 240-day period to which  
9 subdivision (c) shall apply with respect to the amount  
10 remaining in the deposit account.

11 (e) After a deposit account is exhausted, no further  
12 claims shall be paid by the ~~Controller~~ *Secretary of State*.  
13 Claimants who have had their claims paid in full or in part  
14 pursuant to subdivisions (c) and (d) shall not be required  
15 to return funds received from the deposit for the benefit  
16 of other claimants.

17 (f) When a deposit has been made in lieu of a bond, the  
18 amount of the deposit shall not be subject to attachment,  
19 garnishment, or execution with respect to an action or  
20 judgment against the invention developer, other than as  
21 to an amount no longer needed or required for the  
22 purpose of this chapter which would otherwise be  
23 returned to the invention developer by the ~~Controller~~  
24 *Secretary of State*.

25 (g) The ~~Controller~~ *Secretary of State* shall retain a  
26 cash deposit for two years from the date the ~~Controller~~  
27 *Secretary of State* receives written notification from the  
28 assignor of the deposit that the assignor has ceased to  
29 engage in the business of an invention developer or has  
30 filed a bond pursuant to Section 22389, provided that  
31 there are no outstanding claims against the deposit. The  
32 written notice shall include all of the following: (1) name,  
33 address, and telephone number of the assignor; (2) name,  
34 address, and telephone number of the bank at which the  
35 deposit is located; (3) account number of the deposit; and  
36 (4) a statement whether the assignor is ceasing to engage  
37 in the business of an invention developer or has filed a  
38 bond with the ~~Controller~~. ~~The Controller~~ *Secretary of*  
39 *State*. *The Secretary of State* shall forward an  
40 acknowledgment of receipt of the written notification to

1 the assignor at the address indicated therein, specifying  
2 the date of receipt of the written notice and anticipated  
3 date of release of the deposit.

4 (h) This section shall apply to all deposits retained by  
5 the ~~Controller~~ *Secretary of State*.

6 (i) A judge of a municipal or superior court may order  
7 the return of the deposit prior to the expiration of two  
8 years upon evidence satisfactory to the judge that there  
9 are no outstanding claims against the deposit or order the  
10 Controller to retain the deposit for a sufficient period  
11 beyond the two years specified in subdivision (g) to  
12 resolve outstanding claims against the deposit.

13 ~~SEC. 6. Section 22391.1 of the Business and~~  
14 ~~Professions Code is amended to read:~~

15 ~~22391.1. (a) The Controller shall enforce the~~  
16 ~~provisions of this title that govern the filing and~~  
17 ~~maintenance of bonds and deposits in lieu of bonds.~~

18 ~~(b) The Controller shall charge and collect a filing fee~~  
19 ~~not to exceed the cost of filing the bond or the deposit in~~  
20 ~~lieu of a bond pursuant to Section 995.710 of the Code of~~  
21 ~~Civil Procedure.~~

22 ~~SEC. 7.—~~

23 ~~SEC. 5. Section 22443.1 of the Business and~~  
24 ~~Professions Code is amended to read:~~

25 ~~22443.1. (a) Prior to engaging in the business or~~  
26 ~~acting in the capacity of an immigration consultant on or~~  
27 ~~after January 1, 1998, each person shall file with the~~  
28 ~~Controller Secretary of State a bond of twenty-five~~  
29 ~~thousand dollars (\$25,000) executed by a corporate surety~~  
30 ~~admitted to do business in this state and conditioned upon~~  
31 ~~compliance with this chapter. The total aggregate~~  
32 ~~liability on the bond shall be limited to twenty-five~~  
33 ~~thousand dollars (\$25,000). The bond may be terminated~~  
34 ~~pursuant to Section 995.440 of, and Article 13~~  
35 ~~(commencing with Section 996.310) of Chapter 2 of Title~~  
36 ~~14 of Part 2 of, the Code of Civil Procedure.~~

37 ~~(b) The bond required by this section shall be in favor~~  
38 ~~of, and payable to, the people of the State of California~~  
39 ~~and shall be for the benefit of any person damaged by any~~  
40 ~~fraud, misstatement, misrepresentation, unlawful act or~~



1 omission, or failure to provide the services of the  
2 immigration consultant or the agents, representatives, or  
3 employees of the immigration consultant while acting  
4 within the scope of that employment or agency.

5 (c) The ~~Controller~~ *Secretary of State* shall charge and  
6 collect a filing fee to cover the cost of filing the bond or  
7 the deposit filed in lieu of a bond as set forth in Section  
8 995.710 of the Code of Civil Procedure.

9 (d) The ~~Controller~~ *Secretary of State* shall enforce the  
10 provisions of this chapter that govern the filing and  
11 maintenance of bonds and deposits in lieu of bonds.

12 (e) A deposit may be made in lieu of a bond as set forth  
13 in Section 995.710 of the Code of Civil Procedure. When  
14 a deposit is made in lieu of the bond, the person asserting  
15 the claim against the deposit shall establish the claim by  
16 furnishing evidence to the ~~Controller~~ *Secretary of State*  
17 of a money judgment entered by a court together with  
18 evidence that the claimant is a person described in  
19 subdivision (b).

20 (f) When a claimant has established the claim with the  
21 ~~Controller, the Controller~~ *Secretary of State, the*  
22 *Secretary of State* shall review and approve the claim and  
23 enter the date of approval thereon. The claim shall be  
24 designated an “approved claim.”

25 (g) When the first claim against a particular deposit  
26 has been approved, it shall not be paid until the expiration  
27 of a period of 240 days after the date of its approval by the  
28 ~~Controller~~ *Secretary of State*. Subsequent claims that are  
29 approved by the ~~Controller~~ *Secretary of State* within the  
30 same 240-day period shall similarly not be paid until the  
31 expiration of the 240-day period. Upon the expiration of  
32 the 240-day period, the ~~Controller~~ *Secretary of State* shall  
33 pay all approved claims from that 240-day period in full  
34 unless the deposit is insufficient, in which case each  
35 approved claim shall be paid a pro rata share of the  
36 deposit.

37 (h) When the ~~Controller~~ *Secretary of State* approves  
38 the first claim against a particular deposit after the  
39 expiration of a 240-day period, the date of approval of that  
40 claim shall begin a new 240-day period to which

1 subdivision (g) shall apply with respect to any amount  
2 remaining in the deposit.

3 (i) After a deposit is exhausted, no further claims shall  
4 be paid by the ~~Controller~~ *Secretary of State*. Claimants  
5 who have had claims paid in full or in part pursuant to  
6 subdivision (g) or (h) shall not be required to return  
7 funds received from the deposit for the benefit of other  
8 claimants.

9 (j) When a deposit has been made in lieu of a bond, the  
10 amount of the deposit shall not be subject to attachment,  
11 garnishment, or execution with respect to an action or  
12 judgment against the assignor of the deposit, other than  
13 as to an amount as no longer needed or required for the  
14 purpose of this title which would otherwise be returned  
15 to the assignor of the deposit by the ~~Controller~~ *Secretary*  
16 *of State*.

17 (k) The ~~Controller~~ *Secretary of State* shall retain a  
18 cash deposit for two years from the date the ~~Controller~~  
19 *Secretary of State* receives written notification from the  
20 assignor of the deposit that the assignor has ceased to  
21 engage in the business or act in the capacity of an  
22 immigration consultant or has filed a bond pursuant to  
23 subdivision (a), provided that there are no outstanding  
24 claims against the deposit. The written notice shall  
25 include all of the following: (1) name, address, and  
26 telephone number of the assignor; (2) name, address, and  
27 telephone number of the bank at which the deposit is  
28 located; (3) account number of the deposit; and (4) a  
29 statement whether the assignor is ceasing to engage in  
30 the business or act in the capacity of an immigration  
31 consultant or has filed a bond with the ~~Controller~~  
32 *Secretary of State*. The ~~Controller~~ *Secretary of State* shall  
33 forward an acknowledgment of receipt of the written  
34 notice to the assignor at the address indicated therein,  
35 specifying the date of receipt of the written notice and  
36 anticipated date of release of the deposit, provided there  
37 are no outstanding claims against the deposit.

38 (l) A judge of a municipal or superior court may order  
39 the return of the deposit prior to the expiration of two  
40 years upon evidence satisfactory to the judge that there

1 are no outstanding claims against the deposit or order the  
2 ~~Controller~~ *Secretary of State* to retain the deposit for a  
3 specified period beyond the two years pursuant to  
4 subdivision (k) to resolve outstanding claims against the  
5 deposit.

6 (m) This section does not apply to employees of  
7 nonprofit, tax-exempt corporations who help clients  
8 complete application forms in immigration matters,  
9 either free of charge or for a fee. Any fees charged may  
10 include reasonable costs and shall be consistent with fees  
11 authorized by the United States Immigration and  
12 Naturalization Service for qualified designated entities.

13 (n) This section shall remain in effect only until  
14 January 1, 2000, and as of that date is repealed, unless a  
15 later enacted statute, which is enacted before January 1,  
16 2000, deletes or extends that date.

17 ~~SEC. 8. Section 22447 of the Business and Professions~~  
18 ~~Code is amended to read:~~

19 ~~22447. (a) A person who is awarded damages in an~~  
20 ~~action or proceeding for injuries caused by the acts of a~~  
21 ~~person engaged in the business of, or acting in the~~  
22 ~~capacity of, an immigration consultant, in the~~  
23 ~~performance of his or her duties as an immigration~~  
24 ~~consultant, may recover damages from the bond or~~  
25 ~~deposit required by Section 22443.1.~~

26 ~~(b) When any claim or claims against a bond or a~~  
27 ~~deposit in lieu of a bond have been paid so as to reduce~~  
28 ~~the principal amount of the bond or deposit remaining~~  
29 ~~available to pay claims below the principal amount~~  
30 ~~required by Section 22443.1, the immigration consultant~~  
31 ~~shall cease to conduct any business unless and until that~~  
32 ~~time as the bond has been reinstated or moneys have~~  
33 ~~been deposited in the deposit account with the Controller~~  
34 ~~to bring the bond or deposit account balance available for~~  
35 ~~the payment of claims up to the minimum amount~~  
36 ~~required by Section 22443.1.~~

37 ~~(c) This section shall remain in effect only until~~  
38 ~~January 1, 2002, and as of that date is repealed, unless a~~  
39 ~~later enacted statute, which is enacted before January 1,~~  
40 ~~2002, deletes or extends that date.~~

1 ~~SEC. 9. Section 1789.18 of the Civil Code is amended~~  
2 ~~to read:~~

3 ~~1789.18. No credit services organization shall conduct~~  
4 ~~business in this state unless the credit services~~  
5 ~~organization has first obtained a surety bond in the~~  
6 ~~principal amount of one hundred thousand dollars~~  
7 ~~(\$100,000) issued by an admitted surety and the bond~~  
8 ~~complies with all of the following:~~

9 ~~(a) The bond shall be in favor of the State of California~~  
10 ~~for the benefit of any person who is damaged by any~~  
11 ~~violation of this title. The bond shall also be in favor of any~~  
12 ~~individual damaged by those practices.~~

13 ~~(b) Any person claiming against the bond for a~~  
14 ~~violation of this title may maintain an action at law against~~  
15 ~~the credit services organization and against the surety.~~  
16 ~~The surety shall be liable only for actual damages and not~~  
17 ~~the punitive damages permitted under Section 1789.21.~~  
18 ~~The aggregate liability of the surety to all persons~~  
19 ~~damaged by a credit services organization's violation of~~  
20 ~~this title shall in no event exceed the amount of the bond.~~

21 ~~(c) The bond shall be maintained for two years~~  
22 ~~following the date on which the credit services~~  
23 ~~organization ceases to conduct business in this state.~~

24 ~~A copy of the bond shall be filed with the Controller.~~

25 ~~SEC. 10.—~~

26 ~~SEC. 6. Section 1789.24 of the Civil Code is amended~~  
27 ~~to read:~~

28 ~~1789.24. (a) When a deposit has been made in lieu of~~  
29 ~~a bond pursuant to subdivision (a) of Section 1789.13 and~~  
30 ~~Section 995.710 of the Code of Civil Procedure, the person~~  
31 ~~asserting a claim against the deposit shall, in lieu of~~  
32 ~~proceeding under Section 996.430 of the Code of Civil~~  
33 ~~Procedure, establish the claim by furnishing evidence to~~  
34 ~~the Controller Secretary of State of a money judgment~~  
35 ~~entered by a court, together with evidence that the~~  
36 ~~claimant is a person described in subdivision (b) of~~  
37 ~~Section 1789.18.~~

38 ~~(b) When a person has established the claim with the~~  
39 ~~Controller, the Controller Secretary of State, the~~  
40 ~~Secretary of State shall review and approve the claim and~~

1 enter the date of approval thereon. The claim shall be  
2 designated an “approved claim.”

3 (c) When the first claim against a particular deposit  
4 has been approved, it shall not be paid until the expiration  
5 of a period of 240 days after the date of its approval by the  
6 ~~Controller~~ *Secretary of State*. Subsequent claims that are  
7 approved by the ~~Controller~~ *Secretary of State* within the  
8 same 240-day period shall similarly not be paid until the  
9 expiration of the 240-day period. Upon the expiration of  
10 the 240-day period, the ~~Controller~~ *Secretary of State* shall  
11 pay all approved claims from that 240-day period in full  
12 unless the deposit is insufficient, in which case each  
13 approved claim shall be paid a pro rata share of the  
14 deposit.

15 (d) When the ~~Controller~~ *Secretary of State* approves  
16 the first claim against a particular deposit after the  
17 expiration of a 240-day period, the date of approval of that  
18 claim shall begin a new 240-day period to which  
19 subdivision (c) shall apply with respect to any amount  
20 remaining in the deposit.

21 (e) After a deposit is exhausted, no further claims shall  
22 be paid by the ~~Controller~~ *Secretary of State*. Claimants  
23 who have had their claims paid in full or in part pursuant  
24 to subdivision (c) or (d) shall not be required to return  
25 funds received from the deposit for the benefit of other  
26 claimants.

27 (f) When a deposit has been made in lieu of a bond, as  
28 specified in subdivision (a), the amount of the deposit  
29 shall not be subject to attachment, garnishment, or  
30 execution with respect to an action or judgment against  
31 the credit services organization, other than as to an  
32 amount as no longer needed or required for the purpose  
33 of this title which would otherwise be returned to the  
34 credit services organization by the ~~Controller~~ *Secretary*  
35 *of State*.

36 (g) The ~~Controller~~ *Secretary of State* shall retain a  
37 cash deposit for two years from the date the ~~Controller~~  
38 *Secretary of State* receives written notification from the  
39 assignor of the deposit that the assignor has ceased to  
40 engage in the business of a credit services organization or

1 has filed a bond pursuant to Section 1789.18, provided that  
2 there are no outstanding claims against the deposit. The  
3 written notice shall include all of the following: (1) name,  
4 address, and telephone number of the assignor; (2) name,  
5 address, and telephone number of the bank at which the  
6 deposit is located; (3) account number of the deposit; and  
7 (4) a statement whether the assignor is ceasing to engage  
8 in the business of a credit services organization or has filed  
9 a bond with the ~~Controller~~. ~~The Controller~~ *Secretary of*  
10 *State*. *The Secretary of State* shall forward an  
11 acknowledgment of receipt of the written notice to the  
12 assignor at the address indicated therein, specifying the  
13 date of receipt of the written notice and anticipated date  
14 of release of the deposit.

15 (h) This section shall apply to all deposits retained by  
16 the ~~Controller~~ *Secretary of State*.

17 (i) A judge of a municipal or superior court may order  
18 the return of the deposit prior to the expiration of two  
19 years upon evidence satisfactory to the judge that there  
20 are no outstanding claims against the deposit or order the  
21 ~~Controller~~ *Secretary of State* to retain the deposit for a  
22 sufficient period beyond the two years specified in  
23 subdivision (g) to resolve outstanding claims against the  
24 deposit account.

25 ~~SEC. 11. Section 1789.25 of the Civil Code is amended~~  
26 ~~to read:~~

27 ~~1789.25. (a) Every credit services organization shall~~  
28 ~~file a registration application with, and receive a~~  
29 ~~certificate of registration from, the Department of Justice~~  
30 ~~before conducting business in this state. The Department~~  
31 ~~of Justice shall not issue a certificate of registration until~~  
32 ~~the bond required by Section 1789.18 has been filed with~~  
33 ~~the office of the Controller. The application shall be~~  
34 ~~accompanied by a registration fee of one hundred dollars~~  
35 ~~(\$100). The registration application shall contain all of the~~  
36 ~~following information:~~

37 ~~(1) The name and address where business is actually~~  
38 ~~conducted of the credit services organization.~~

39 ~~(2) The names, addresses, and driver's license~~  
40 ~~numbers of any and all persons who directly or indirectly~~

~~own or control 10 percent or more of the outstanding shares of stock in the credit services organization.~~

~~(3) Either of the following:~~

~~(A) A full and complete disclosure of any litigation commenced against the credit services organization or any resolved or unresolved complaint that relates to the operation of the credit services organization and that is filed with the Attorney General or any other governmental authority of this state, any other state, or the federal government. With respect to each resolved complaint identified by the disclosure, the disclosure shall include a brief description of the resolution.~~

~~(B) An acknowledged declaration under penalty of perjury stating that no litigation has been commenced and no unresolved complaint relating to the operation of the organization has been filed with the Attorney General or any other governmental authority of this state, any other state, or the federal government.~~

~~(4) Other information that the Department of Justice requires, either at the time of application or thereafter.~~

~~(b) The Department of Justice may conduct an investigation to verify the accuracy of the registration application. If the application involves investigation outside this state, the applicant credit services organization may be required by the Department of Justice to advance sufficient funds to pay the actual expenses of the investigation. Any nonresident applying for registration under this section shall designate and maintain a resident of this state as the applicant's agent for the purpose of receipt of service of process.~~

~~(c) Each credit services organization shall notify the Department of Justice in writing within 30 days after the date of a change in the information required by subdivision (a), except that 30 days' advance notice and approval by the Department of Justice shall be required before changing the corporate name or address, or persons owning more than 10 percent of the shares of stock in the organization. Each credit services organization registering under this section may use no more than one fictitious or trade name and shall maintain~~

1 a copy of the registration application in its files. The  
2 organization shall allow a buyer to inspect the registration  
3 application upon request.

4 (d) A certificate of registration issued pursuant to this  
5 section shall expire annually on the last day of December  
6 but may be renewed by filing a renewal application  
7 accompanied by a fee not to exceed the Department of  
8 Justice's costs of administration.

9 (e) The credit services organization shall attach to the  
10 registration statement a copy of the contract or contracts  
11 that the credit services organization intends to execute  
12 with its customers and a copy of the required bond.

13 SEC. 12. Section 1789.26 of the Civil Code is amended  
14 to read:

15 1789.26. (a) The Controller shall enforce the  
16 provisions of this title that govern the filing and  
17 maintenance of bonds and deposits in lieu of bonds.

18 (b) The Controller shall charge and collect a filing fee  
19 not to exceed the cost of filing the bond or the deposit in  
20 lieu of a bond pursuant to Section 995.710 of the Code of  
21 Civil Procedure.

22 SEC. 13.—

23 SEC. 7. Section 1812.54 of the Civil Code is amended  
24 to read:

25 1812.54. (a) Every contract for dance studio lessons  
26 and other services shall provide that performance of the  
27 agreed-upon lessons will begin within 12 months from the  
28 date the contract is entered into.

29 (b) Every contract for dance studio lessons and other  
30 services shall further provide all of the following:

31 (1) That the contract may be canceled within 180 days  
32 after the date of receipt by the customer of a copy of the  
33 contract by written notice to the other party at the  
34 address specified in the contract, and all moneys paid  
35 pursuant to the contract shall be refunded within 10 days  
36 of receipt of the notice of cancellation, except that  
37 payment shall be made for any dance studio lessons and  
38 other services received prior to the cancellation.

39 (2) That the contract may be canceled after 180 days  
40 after the date of receipt by the customer of a copy of the



1 contract by written notice to the other party at the  
2 address specified in the contract, and the student  
3 canceling the contract shall be thereafter entitled to a  
4 refund, within 10 days of receipt by the dance studio of  
5 notice of cancellation, of all moneys paid pursuant to the  
6 canceled contract with the exception that the dance  
7 studio shall be entitled to 10 percent of the unpaid  
8 balance pursuant to the terms of the canceled contract,  
9 and except further that, in addition to the foregoing,  
10 payment shall be made for any dance studio lessons and  
11 other services received prior to the cancellation.

12 (c) Every contract for dance studio lessons and other  
13 services shall contain a written statement of the hourly  
14 rate charged for each type of lesson for which the student  
15 has contracted. If the contract includes dance studio  
16 lessons that are sold at different per-hour rates, the  
17 contract shall contain separate hourly rates for each  
18 different type of lesson sold. All other services for which  
19 the student has contracted that are not capable of a  
20 per-hour charge shall be set forth in writing in specific  
21 terms. The statement shall be contained in the dance  
22 studio contract before the contract is signed by the buyer.

23 (d) Every dance studio subject to Sections 1812.64 to  
24 1812.66, inclusive, shall include in every contract for  
25 dance studio lessons or other services a statement that the  
26 studio is bonded and that information concerning the  
27 bond may be obtained by writing to the office of the  
28 ~~Controller~~ *Secretary of State*. If the studio has elected to  
29 make a cash deposit in lieu of procuring a bond, the  
30 contract shall contain a description of the cash deposit.

31 ~~SEC. 14. Section 1812.64 of the Civil Code is amended~~  
32 ~~to read:~~

33 ~~1812.64. Every dance studio shall maintain a bond~~  
34 ~~issued by a surety company admitted to do business in this~~  
35 ~~state. The principal sum of the bond shall be 25 percent~~  
36 ~~of the dance studio's gross income from the studio~~  
37 ~~business in this state during the studio's last fiscal year,~~  
38 ~~except that the principal sum of the bond shall not be less~~  
39 ~~than ten thousand dollars (\$10,000) in the first or any~~  
40 ~~subsequent year of operation.~~

1 ~~A copy of the bond shall be filed with the Controller,~~  
2 ~~together with a declaration under penalty of perjury~~  
3 ~~signed by the owner of the studio stating the dance~~  
4 ~~studio's gross income from the dance studio business in~~  
5 ~~this state during the last fiscal year. The information~~  
6 ~~contained in the declaration shall not be subject to public~~  
7 ~~inspection. If the person in whose name the bond is issued~~  
8 ~~severs his or her relationship with the bonded dance~~  
9 ~~studio, the new owner shall, as a condition of doing~~  
10 ~~business, notify the Controller of the change of ownership~~  
11 ~~and of proof of compliance with Sections 1812.64 to~~  
12 ~~1812.66, inclusive.~~

13 ~~SEC. 15.—~~

14 *SEC. 8.* Section 1812.66 of the Civil Code is amended  
15 to read:

16 1812.66. (a) When a deposit has been made in lieu of  
17 a bond pursuant to ~~Section 1812.64~~ and Section 995.710 of  
18 the Code of Civil Procedure, the person asserting a claim  
19 against the deposit shall, in lieu of Section 996.430 of the  
20 Code of Civil Procedure, establish the claim by furnishing  
21 evidence to the ~~Controller~~ *Secretary of State* of a money  
22 judgment entered by a court together with evidence that  
23 the claimant is a person described in Section 1812.65.

24 (b) When a person has established the claim with the  
25 ~~Controller, the Controller~~ *Secretary of State, the*  
26 *Secretary of State* shall review and approve the claim and  
27 enter the date of approval thereon. The claim shall be  
28 designated an “approved claim.”

29 (c) When the first claim against a particular deposit  
30 has been approved, it shall not be paid until the expiration  
31 of a period of 240 days after the date of its approval by the  
32 ~~Controller~~ *Secretary of State*. Subsequent claims that are  
33 approved by the ~~Controller~~ *Secretary of State* within the  
34 same 240-day period shall similarly not be paid until the  
35 expiration of the 240-day period. Upon the expiration of  
36 the 240-day period, the ~~Controller~~ *Secretary of State* shall  
37 pay all approved claims from that 240-day period in full  
38 unless there are insufficient funds in the deposit, in which  
39 case each approved claim shall be paid a pro rata share of  
40 the deposit.

1 (d) When the ~~Controller~~ *Secretary of State* approves  
2 the first claim against a particular deposit account after  
3 the expiration of a 240-day period, the date of approval of  
4 that claim shall begin a new 240-day period to which  
5 subdivision (c) shall apply with respect to the amount  
6 remaining in the deposit account.

7 (e) After a deposit is exhausted, no further claims shall  
8 be paid by the ~~Controller~~ *Secretary of State*. Claimants  
9 who have had their claims paid in full or in part pursuant  
10 to subdivisions (c) and (d) shall not be required to return  
11 funds received from the deposit for the benefit of other  
12 claimants.

13 (f) When a deposit has been made in lieu of a bond, the  
14 amount of the deposit shall not be subject to attachment,  
15 garnishment, or execution with respect to an action or  
16 judgment against the dance studio, other than as to an  
17 amount no longer needed or required for the purpose of  
18 this title that would otherwise be returned to the dance  
19 studio by the ~~Controller~~ *Secretary of State*.

20 (g) The ~~Controller~~ *Secretary of State* shall retain a  
21 cash deposit for two years from the date the ~~Controller~~  
22 *Secretary of State* receives written notification from the  
23 assignor of the deposit that the assignor has ceased to  
24 engage in the business of a dance studio or has filed a bond  
25 pursuant to Section 1812.64, provided that there are no  
26 outstanding claims against the deposit. The written  
27 notice shall include all of the following: (1) name, address,  
28 and telephone number of the assignor; (2) name, address,  
29 and telephone number of the bank at which the deposit  
30 is located; (3) account number of the deposit; and (4) a  
31 statement whether the assignor is ceasing to engage in  
32 the business of a dance studio or has filed a bond with the  
33 ~~Controller~~ *Secretary of State*. The ~~Controller~~ *Secretary of*  
34 *State* shall forward an acknowledgment of receipt of the  
35 written notice to the assignor at the address indicated  
36 therein, specifying the date of receipt of the written  
37 notice and anticipated date of release of the deposit,  
38 provided there are no outstanding claims against the  
39 deposit.

(h) A judge of a municipal or superior court may order the return of the deposit prior to the expiration of two years upon evidence satisfactory to the judge that there are no outstanding claims against the deposit or order the ~~Controller~~ *Secretary of State* to retain the deposit for a sufficient period beyond the two years specified in subdivision (g) to resolve outstanding claims against the deposit account.

~~SEC. 16. Section 1812.69 of the Civil Code is amended to read:~~

~~1812.69. (a) The Controller shall enforce the provisions of this title that govern the filing and maintenance of bonds and deposits in lieu of bonds.~~

~~(b) The Controller shall charge a filing fee not to exceed the cost of filing the bond or the deposit in lieu of a bond pursuant to Section 995.710 of the Code of Civil Procedure.~~

~~SEC. 17. Section 1812.103 of the Civil Code is amended to read:~~

~~1812.103. Every discount buying organization shall maintain a bond issued by a surety company admitted to do business in this state. The principal sum of the bond shall be twenty thousand dollars (\$20,000). A copy of the bond shall be filed with the Controller.~~

~~SEC. 18.—~~

~~SEC. 9. Section 1812.105 of the Civil Code is amended to read:~~

~~1812.105. (a) When a deposit has been made in lieu of a bond pursuant to Section 1812.103 and Section 995.710 of the Code of Civil Procedure, the person asserting a claim against the deposit shall, in lieu of Section 996.430 of the Code of Civil Procedure, establish the claim by furnishing evidence to the Controller Secretary of State of a money judgment entered by a court together with evidence that the claimant is a person described in Section 1812.104.~~

~~(b) When a person has established the claim with the Controller, the Controller Secretary of State, the Secretary of State shall review and approve the claim and~~

1 enter the date of approval on the claim. The claim shall  
2 be designated an “approved claim.”

3 (c) When the first claim against a particular deposit  
4 has been approved, it shall not be paid until the expiration  
5 of a period of 240 days after the date of its approval by the  
6 ~~Controller~~ *Secretary of State*. Subsequent claims that are  
7 approved by the ~~Controller~~ *Secretary of State* within the  
8 same 240-day period shall similarly not be paid until the  
9 expiration of the 240-day period. Upon the expiration of  
10 the 240-day period, the ~~Controller~~ *Secretary of State* shall  
11 pay all approved claims from that 240-day period in full  
12 unless the deposit is insufficient, in which case each  
13 approved claim shall be paid a pro rata share of the  
14 deposit.

15 (d) When the ~~Controller~~ *Secretary of State* approves  
16 the first claim against a particular deposit after the  
17 expiration of a 240-day period, the date of approval of that  
18 claim shall begin a new 240-day period to which  
19 subdivision (c) shall apply with respect to the amount  
20 remaining in the deposit.

21 (e) After a deposit is exhausted, no further claims shall  
22 be paid by the ~~Controller~~ *Secretary of State*. Claimants  
23 who have had their claims paid in full or in part pursuant  
24 to subdivisions (c) and (d) shall not be required to return  
25 funds received from the deposit for the benefit of other  
26 claimants.

27 (f) When a deposit has been made in lieu of a bond, the  
28 amount of the deposit shall not be subject to attachment,  
29 garnishment, or execution with respect to an action or  
30 judgment against the discount buying organization, other  
31 than as to an amount as no longer needed or required for  
32 the purpose of this title that would otherwise be returned  
33 to the discount buying organization by the ~~Controller~~  
34 *Secretary of State*.

35 (g) The ~~Controller~~ *Secretary of State* shall retain a  
36 cash deposit for two years from the date the ~~Controller~~  
37 *Secretary of State* receives written notification from the  
38 assignor of the deposit that the assignor has ceased to  
39 engage in the business of a discount buying organization  
40 or has filed a bond pursuant to Section 1812.103, provided

1 that there are no outstanding claims against the deposit.  
2 This written notice shall include all of the following: (1)  
3 name, address, and telephone number of the assignor; (2)  
4 name, address, and telephone number of the bank at  
5 which the deposit is located; (3) account number of the  
6 deposit; and (4) a statement whether the assignor is  
7 ceasing to engage in the business of a discount buying  
8 organization or has filed a bond with the ~~Controller~~. The  
9 ~~Controller~~ *Secretary of State*. The *Secretary of State* shall  
10 forward an acknowledgment of receipt of the written  
11 notice to the assignor at the address indicated therein,  
12 specifying the date of receipt of the written notice and  
13 anticipated date of release of the deposit, provided there  
14 are no outstanding claims against the deposit.

15 (h) A judge of a municipal or superior court may order  
16 the return of the deposit prior to the expiration of two  
17 years upon evidence satisfactory to the judge that there  
18 are no outstanding claims against the deposit or order the  
19 ~~Controller~~ *Secretary of State* to retain the deposit for a  
20 sufficient period beyond the two years specified in  
21 subdivision (g) to resolve outstanding claims against the  
22 deposit.

23 ~~SEC. 19. Section 1812.107 of the Civil Code is~~  
24 ~~amended to read:~~

25 ~~1812.107. Every contract for discount buying services~~  
26 ~~shall be in writing and shall be subject to the provisions~~  
27 ~~of this title. The address of the seller's discount buying~~  
28 ~~facility and the residence address of the buyer shall be~~  
29 ~~clearly indicated on the face of the contract. A copy of the~~  
30 ~~written contract shall be given to the buyer at the time~~  
31 ~~he or she signs the contract. All blank spaces in the~~  
32 ~~contract shall be filled in before the contract is signed by~~  
33 ~~the buyer. Provisions or terms written by hand on the~~  
34 ~~buyer's copy shall be legible. The contract shall disclose~~  
35 ~~that a bond has been obtained by the discount buying~~  
36 ~~organization and that a copy of the bond is on file with the~~  
37 ~~Controller. The contract shall be specific as to the period~~  
38 ~~of time for which the discount buying services will be~~  
39 ~~available to the buyer. This time period shall not be~~  
40 ~~measured by the life of the buyer.~~

1 ~~SEC. 20.—~~

2 *SEC. 10.* Section 1812.129 of the Civil Code is  
3 amended to read:

4 1812.129. (a) The ~~Controller~~ *Secretary of State* shall  
5 enforce the provisions of this title that govern the filing  
6 and maintenance of bonds and deposits in lieu of bonds.

7 (b) The ~~Controller~~ *Secretary of State* shall charge a  
8 filing fee not to exceed the cost of filing the bond or the  
9 deposit in lieu of a bond pursuant to Section 995.710 of the  
10 Code of Civil Procedure.

11 ~~SEC. 21.—~~

12 *SEC. 11.* Section 1812.503 of the Civil Code is  
13 amended to read:

14 1812.503. (a) Every employment agency subject to  
15 this title shall maintain a bond issued by a surety company  
16 admitted to do business in this state. The principal sum of  
17 the bond shall be three thousand dollars (\$3,000). A copy  
18 of the bond shall be filed with the ~~Controller~~ *Secretary of*  
19 *State*.

20 (b) The bond required by this section shall be in favor  
21 of, and payable to, the people of the State of California  
22 and shall be conditioned that the person obtaining the  
23 bond will comply with this title and will pay all sums due  
24 any individual or group of individuals when the person or  
25 his or her representative, agent, or employee has  
26 received those sums. The bond shall be for the benefit of  
27 any person or persons damaged by any violation of this  
28 title or by fraud, dishonesty, misstatement,  
29 misrepresentation, deceit, unlawful acts or omissions, or  
30 failure to provide the services of the employment agency  
31 in performance of the contract with the jobseeker, by the  
32 employment agency or its agents, representatives, or  
33 employees while acting within the scope of their  
34 employment.

35 (c) (1) No employment agency shall conduct any  
36 business without having a current surety bond in the  
37 amount prescribed by this title and filing a copy of the  
38 bond with the ~~Controller~~ *Secretary of State*.

39 (2) Thirty days prior to the cancellation or termination  
40 of any surety bond required by this section, the surety

1 shall send a written notice of that cancellation or  
2 termination to both the employment agency and the  
3 ~~Controller~~ *Secretary of State*, identifying the bond and  
4 the date of cancellation or termination.

5 (3) If any employment agency fails to obtain a new  
6 bond and file a copy of that bond with the ~~Controller~~  
7 *Secretary of State* by the effective date of the cancellation  
8 or termination of the former bond, the employment  
9 agency shall cease to conduct any business unless and  
10 until a new surety bond is obtained and a copy of that  
11 bond is filed with the ~~Controller~~ *Secretary of State*.

12 (d) When a deposit has been made in lieu of the bond  
13 pursuant to this section and Section 995.710 of the Code  
14 of Civil Procedure, the person asserting a claim against  
15 the deposit shall, in lieu of Section 996.430 of the Code of  
16 Civil Procedure, establish the claim by furnishing  
17 evidence to the ~~Controller~~ *Secretary of State* of a money  
18 judgment entered by a court together with evidence that  
19 the claimant is a person described in subdivision (b).

20 (e) When a claimant has established the claim with the  
21 ~~Controller, the Controller~~ *Secretary of State, the*  
22 *Secretary of State* shall review and approve the claim and  
23 enter the date of approval thereon. The claim shall be  
24 designated an “approved claim.”

25 (f) When the first claim against a particular deposit has  
26 been approved, it shall not be paid until the expiration of  
27 a period of 240 days after the date of its approval by the  
28 ~~Controller~~ *Secretary of State*. Subsequent claims that are  
29 approved by the ~~Controller~~ *Secretary of State* within the  
30 same 240-day period shall similarly not be paid until the  
31 expiration of the 240-day period. Upon the expiration of  
32 the 240-day period, the ~~Controller~~ *Secretary of State* shall  
33 pay all approved claims from that 240-day period in full  
34 unless the deposit is insufficient, in which case each  
35 approved claim shall be paid a pro rata share of the  
36 deposit.

37 (g) When the ~~Controller~~ *Secretary of State* approves  
38 the first claim against a particular deposit after the  
39 expiration of a 240-day period, the date of approval of that  
40 claim shall begin a new 240-day period to which



1 subdivision (f) shall apply with respect to any amount  
2 remaining in the deposit.

3 (h) After a deposit is exhausted, no further claims shall  
4 be paid by the ~~Controller~~ *Secretary of State*. Claimants  
5 who have had their claims paid in full or in part pursuant  
6 to subdivision (f) or (g) shall not be required to return  
7 funds received from the deposit for the benefit of other  
8 claimants.

9 (i) When a deposit has been made in lieu of a bond, the  
10 amount of the deposit shall not be subject to attachment,  
11 garnishment, or execution with respect to an action or  
12 judgment against the employment agency, other than as  
13 to an amount as no longer needed or required for the  
14 purpose of this title that would otherwise be returned to  
15 the employment agency by the ~~Controller~~ *Secretary of*  
16 *State*.

17 (j) The ~~Controller~~ *Secretary of State* shall retain a cash  
18 deposit for two years from the date the ~~Controller~~  
19 *Secretary of State* receives written notification from the  
20 assignor of the deposit that the assignor has ceased to  
21 engage in the business of an employment agency or has  
22 filed a bond pursuant to subdivision (a), provided that  
23 there are no outstanding claims against the deposit. This  
24 written notice shall include all of the following: (1) name,  
25 address, and telephone number of the assignor; (2) name,  
26 address, and telephone number of the bank at which the  
27 deposit is located; (3) account number of the deposit; and  
28 (4) a statement whether the assignor is ceasing to engage  
29 in the business of an employment agency or has filed a  
30 bond with the ~~Controller~~. ~~The Controller~~ *Secretary of*  
31 *State*. *The Secretary of State* shall forward an  
32 acknowledgment of receipt of the written notice to the  
33 assignor at the address indicated therein, specifying the  
34 date of receipt of the written notice and anticipated date  
35 of release of the deposit, provided there are no  
36 outstanding claims against the deposit.

37 (k) A judge of a municipal or superior court may order  
38 the return of the deposit prior to the expiration of two  
39 years upon evidence satisfactory to the judge that there  
40 are no outstanding claims against the deposit or order the

1 ~~Controller~~ *Secretary of State* to retain the deposit for a  
2 sufficient period beyond the two years pursuant to  
3 subdivision (j) to resolve outstanding claims against the  
4 deposit account.

5 (l) The ~~Controller~~ *Secretary of State* shall charge a  
6 filing fee not to exceed the cost of filing the bond or  
7 deposit filed in lieu of a bond as set forth in Section 995.710  
8 of the Code of Civil Procedure.

9 (m) The ~~Controller~~ *Secretary of State* shall enforce  
10 the provisions of this chapter that govern the filing and  
11 maintenance of bonds and deposits in lieu of bonds.

12 ~~SEC. 22.~~—

13 *SEC. 12.* Section 1812.510 of the Civil Code is  
14 amended to read:

15 1812.510. (a) Every employment counseling service  
16 subject to this title shall maintain a bond issued by a surety  
17 company admitted to do business in this state. The  
18 principal sum of the bond shall be ten thousand dollars  
19 (\$10,000). A copy of the bond shall be filed with the  
20 ~~Controller~~ *Secretary of State*.

21 (b) The bond required by this section shall be in favor  
22 of, and payable to, the people of the State of California,  
23 and shall be conditioned that the person obtaining the  
24 bond will comply with this title and will pay all sums due  
25 any individual or group of individuals when the person or  
26 his or her representative, agent, or employee has  
27 received those sums. The bond shall be for the benefit of  
28 any person or persons damaged by any violation of this  
29 title or by fraud, dishonesty, misstatement,  
30 misrepresentation, deceit, unlawful acts of omissions, or  
31 failure to provide the services of the employment  
32 counseling service in performance of the contract with  
33 the customer by the employment counseling service or its  
34 agents, representatives, or employees while acting within  
35 the scope of their employment.

36 (c) (1) No employment counseling service shall  
37 conduct any business without having a current surety  
38 bond in the amount prescribed by this title and filing a  
39 copy of the bond with the ~~Controller~~ *Secretary of State*.

(2) Thirty days prior to the cancellation or termination of any surety bond required by this section, the surety shall send a written notice of that cancellation or termination to both the employment counseling service and the ~~Controller~~ *Secretary of State*, identifying the bond and the date of cancellation or termination.

(3) If any employment counseling service fails to obtain a new bond and file a copy of that bond with the ~~Controller~~ *Secretary of State* by the effective date of the cancellation or termination of the former bond, the employment counseling service shall cease to conduct any business unless and until a new surety bond is obtained and a copy of that bond is filed with the ~~Controller~~ *Secretary of State*.

(d) When a deposit has been made in lieu of the bond pursuant to this section and Section 995.710 of the Code of Civil Procedure, the person asserting a claim against the deposit shall, in lieu of Section 996.430 of the Code of Civil Procedure, establish the claim by furnishing evidence to the ~~Controller~~ *Secretary of State* of a money judgment entered by a court together with evidence that the claimant is a person described in subdivision (b).

(e) When a person has established the claim with the ~~Controller, the Controller~~ *Secretary of State, the Secretary of State* shall immediately review and approve the claim and enter the date of approval on the claim. The claim shall be designated an “approved claim.”

(f) When the first claim against a particular deposit has been approved, it shall not be paid until the expiration of a period of 240 days after the date of its approval by the ~~Controller~~ *Secretary of State*. Subsequent claims that are approved by the Controller within the same 240-day period shall similarly not be paid until the expiration of the 240-day period. Upon the expiration of the 240-day period, the ~~Controller~~ *Secretary of State* shall pay all approved claims from that 240-day period in full unless the deposit is insufficient, in which case each approved claim shall be paid a pro rata share of the deposit.

(g) When the ~~Controller~~ *Secretary of State* approves the first claim against a particular deposit account after

1 the expiration of the 240-day period, the date of approval  
2 of that claim shall begin a new 240-day period to which  
3 subdivision (f) shall apply with respect to the amount  
4 remaining in the deposit account.

5 (h) After a deposit account is exhausted, no further  
6 claims shall be paid by the ~~Controller~~ *Secretary of State*.  
7 Claimants who have had their claims paid in full or in part  
8 pursuant to subdivisions (f) and (g) shall not be required  
9 to return funds received from the deposit for the benefit  
10 of other claimants.

11 (i) When a deposit has been made in lieu of a bond, the  
12 amount of the deposit shall not be subject to attachment,  
13 garnishment, or execution with respect to an action or  
14 judgment against the employment counseling service,  
15 other than as to an amount as no longer needed or  
16 required for the purpose of this title that would otherwise  
17 be returned to the employment counseling service by the  
18 ~~Controller~~ *Secretary of State*.

19 (j) The ~~Controller~~ *Secretary of State* shall retain a cash  
20 deposit for two years from the date the ~~Controller~~  
21 *Secretary of State* receives written notification from the  
22 assignor of the deposit that the assignor has ceased to  
23 engage in the business of a counseling service or has filed  
24 a bond pursuant to subdivision (a), provided that there  
25 are no outstanding claims against the deposit. Written  
26 notification to the ~~Controller~~ *Secretary of State* shall  
27 include all of the following: (1) name, address, and  
28 telephone number of the assignor; (2) name, address, and  
29 telephone number of the bank at which the deposit is  
30 located; (3) account number of the deposit; and (4) a  
31 statement whether the assignor is ceasing to engage in  
32 the business of a counseling service or has filed a bond  
33 with the ~~Controller~~. ~~The Controller~~ *Secretary of State*.  
34 *The Secretary of State* shall forward an acknowledgment  
35 of receipt of the written notice to the assignor at the  
36 address indicated in the notice, specifying the date of  
37 receipt of the written notice and anticipated date of  
38 release of the deposit, provided there are no outstanding  
39 claims against the deposit account.

(k) A judge of a municipal or superior court may order the return of the deposit prior to the expiration of two years upon evidence satisfactory to the judge that there are no outstanding claims against the deposit or order the ~~Controller~~ *Secretary of State* to retain the deposit for a sufficient period beyond the two years pursuant to subdivision (j) to resolve outstanding claims against the deposit account.

(l) The ~~Controller~~ *Secretary of State* shall charge a filing fee not to exceed the cost of filing the bond or the deposit filed in lieu of a bond pursuant to Section 995.710 of the Code of Civil Procedure.

(m) The ~~Controller~~ *Secretary of State* shall enforce the provisions of this chapter that govern the filing and maintenance of bonds and deposits in lieu of bonds.

**SEC. 23.—**

*SEC. 13.* Section 1812.515 of the Civil Code is amended to read:

1812.515. (a) Every job listing service subject to this title shall maintain a bond issued by a surety company admitted to do business in this state. The principal sum of the bond shall be ten thousand dollars (\$10,000) for each location. A copy of the bond shall be filed with the ~~Controller~~ *Secretary of State*.

(b) The bond required by this section shall be in favor of, and payable to, the people of the State of California, and shall be conditioned that the person obtaining the bond will comply with this title and will pay all sums due any individual or group of individuals when the person or his or her representative, agent, or employee has received those sums. The bond shall be for the benefit of any person or persons damaged by any violation of misrepresentation, deceit, unlawful acts of omissions, or failure to provide the services of the job listing service in performance of the contract with the jobseeker, by the job listing service or its agent, representatives, or employees while acting within the scope of their employment.

(c) (1) No job listing service shall conduct any business without having a current surety bond in the

1 amount prescribed by this chapter and filing a copy of the  
2 bond with the ~~Controller~~ *Secretary of State*, identifying  
3 the bond and the date of cancellation or termination.

4 (2) Thirty days prior to the cancellation or termination  
5 of any surety bond required by this section, the surety  
6 shall send a written notice of that cancellation or  
7 termination to both the job listing service and the  
8 ~~Controller~~ *Secretary of State*, identifying the bond and  
9 the date of cancellation or termination.

10 (3) If any job listing service fails to obtain a new bond  
11 and file a copy of that bond with the ~~Controller~~ *Secretary*  
12 *of State* by the effective date of the cancellation or  
13 termination of the former bond, the job listing service  
14 shall cease to conduct any business unless and until a new  
15 surety bond is obtained and a copy of that bond is filed  
16 with the ~~Controller~~ *Secretary of State*.

17 (d) When a deposit has been made in lieu of a bond  
18 pursuant to this section and Section 995.710 of the Code  
19 of Civil Procedure, the person asserting a claim against  
20 the deposit shall, in lieu of Section 996.430 of the Code of  
21 Civil Procedure, establish the claim by furnishing  
22 evidence to the ~~Controller~~ *Secretary of State* of a money  
23 judgment entered by a court together with evidence that  
24 the claimant is a person described in subdivision (b).

25 (e) When a person has established the claim with the  
26 ~~Controller, the Controller~~ *Secretary of State, the*  
27 *Secretary of State* shall review and approve the claim and  
28 enter the date of approval on the claim. The claim shall  
29 be designated an “approved claim.”

30 (f) When the first claim against a particular deposit has  
31 been approved, it shall not be paid until the expiration of  
32 a period of 240 days after the date of its approval by the  
33 ~~Controller~~ *Secretary of State*. Subsequent claims that are  
34 approved by the ~~Controller~~ *Secretary of State* within the  
35 same 240-day period shall similarly not be paid until the  
36 expiration of the 240-day period. Upon the expiration of  
37 the 240-day period, the ~~Controller~~ *Secretary of State* shall  
38 pay all approved claims from that 240-day period in full  
39 unless the deposit is insufficient, in which case each

1 approved claim shall be paid in a pro rata share of the  
2 deposit.

3 (g) When the ~~Controller~~ *Secretary of State* approves  
4 the first claim against a particular deposit after the  
5 expiration of the 240-day period, the date of approval of  
6 that claim shall begin a new 240-day period to which  
7 subdivision (f) shall apply with respect to the amount  
8 remaining in the deposit.

9 (h) After a deposit is exhausted, no further claims shall  
10 be paid by the ~~Controller~~ *Secretary of State*. Claimants  
11 who have had their claims paid in full or in part pursuant  
12 to subdivisions (f) and (g) shall not be required to return  
13 funds received from the deposit for the benefit of other  
14 claimants.

15 (i) When a deposit has been made in lieu of a bond, the  
16 amount of the deposit shall not be subject to attachment,  
17 garnishment, or execution with respect to an action or  
18 judgment against the job listing service, other than as to  
19 an amount as no longer needed or required for the  
20 purpose of this title that would otherwise be returned to  
21 the job listing service by the ~~Controller~~ *Secretary of*  
22 *State*.

23 (j) The ~~Controller~~ *Secretary of State* shall retain a cash  
24 deposit for two years from the date the ~~Controller~~  
25 *Secretary of State* receives written notification from the  
26 assignor of the deposit that the assignor has ceased to  
27 engage in the business of a job listing service or has filed  
28 a bond pursuant to subdivision (a), provided that there  
29 are no outstanding claims against the deposit. Written  
30 notification to the ~~Controller~~ *Secretary of State* shall  
31 include all of the following: (1) name, address, and  
32 telephone number of the assignor; (2) name, address, and  
33 telephone number of the bank at which the deposit is  
34 located; (3) account number of the deposit; and (4) a  
35 statement whether the assignor is ceasing to engage in  
36 the business of a job listing service or has filed a bond with  
37 the ~~Controller~~. ~~The Controller~~ *Secretary of State*. ~~The~~  
38 *Secretary of State* shall forward an acknowledgment of  
39 receipt of the written notice to the assignor at the address  
40 indicated therein, specifying the date of receipt of the

1 written notice and anticipated date of release of the  
2 deposit, provided there are no outstanding claims against  
3 the deposit.

4 (k) A judge of a municipal or superior court may order  
5 the return of the deposit prior to the expiration of two  
6 years upon evidence satisfactory to the judge that there  
7 are no outstanding claims against the deposit or order the  
8 ~~Controller~~ *Secretary of State* to retain the deposit for a  
9 specified period beyond the two years pursuant to  
10 subdivision (j) to resolve outstanding claims against the  
11 deposit account.

12 (l) The ~~Controller~~ *Secretary of State* shall charge a  
13 filing fee not to exceed the cost of filing the bond or  
14 deposit filed in lieu of a bond pursuant to Section 995.710  
15 of the Code of Civil Procedure.

16 (m) The ~~Controller~~ *Secretary of State* shall enforce  
17 the provisions of this chapter that govern the filing and  
18 maintenance of bonds and deposits in lieu of bonds.

19 ~~SEC. 24.~~—

20 *SEC. 14.* Section 1812.525 of the Civil Code is  
21 amended to read:

22 1812.525. (a) Every nurses' registry subject to this  
23 title shall maintain a bond issued by a surety company  
24 admitted to do business in this state. The principal sum of  
25 the bond shall be three thousand dollars (\$3,000). A copy  
26 of the bond shall be filed with the ~~Controller~~ *Secretary of*  
27 *State*.

28 (b) The bond required by this section shall be in favor  
29 of, and payable to, the people of the State of California,  
30 and shall be conditioned that the person obtaining the  
31 bond will comply with this title and will pay all sums due  
32 any individual or group of individuals when the person or  
33 his or her representative, agent, or employee has  
34 received those sums. The bond shall be for the benefit of  
35 any person or persons damaged by any violation of this  
36 title or by fraud, dishonesty, misstatement,  
37 misrepresentation, deceit, unlawful acts or omissions, or  
38 failure to provide the services of the nurses' registry in  
39 performance of the contract with the nurse by the nurses'



1 registry or its agents, representatives, or employees while  
2 acting within the scope of their employment.

3 (c) (1) No nurses' registry shall conduct any business  
4 without having a current surety bond in the amount  
5 prescribed by this title and filing a copy of the bond with  
6 the ~~Controller~~ *Secretary of State*.

7 (2) Thirty days prior to the cancellation or termination  
8 of any surety bond required by this section, the surety  
9 shall send a written notice of that cancellation or  
10 termination to both the nurses' registry and the  
11 ~~Controller~~ *Secretary of State*, identifying the bond and  
12 the date of cancellation or termination.

13 (3) If any nurses' registry fails to obtain a new bond  
14 and file a copy of that bond with the ~~Controller~~ *Secretary*  
15 *of State* by the effective date of the cancellation or  
16 termination of the former bond, the nurses' registry shall  
17 cease to conduct any business unless and until a new  
18 surety bond is obtained and a copy of that bond is filed  
19 with the ~~Controller~~ *Secretary of State*.

20 (d) When a deposit has been made in lieu of a bond  
21 pursuant to this section and Section 995.710 of the Code  
22 of Civil Procedure, the person asserting a claim against  
23 the deposit shall, in lieu of Section 996.430 of the Code of  
24 Civil Procedure, establish the claim by furnishing  
25 evidence to the ~~Controller~~ *Secretary of State* of a money  
26 judgment entered by a court together with evidence that  
27 the claimant is a person described in subdivision (b).

28 (e) When a person has established the claim with the  
29 ~~Controller, the Controller~~ *Secretary of State, the*  
30 *Secretary of State* shall review and approve the claim and  
31 enter the date of approval on the claim. The claim shall  
32 be designated an "approved claim."

33 (f) When the first claim against a particular deposit has  
34 been approved, it shall not be paid until the expiration of  
35 a period of 240 days after the date of its approval by the  
36 ~~Controller~~ *Secretary of State*. Subsequent claims that are  
37 approved by the ~~Controller~~ *Secretary of State* within the  
38 same 240-day period shall similarly not be paid until the  
39 expiration of the 240-day period. Upon the expiration of  
40 the 240-day period, the ~~Controller~~ *Secretary of State* shall

1 pay all approved claims from that 240-day period in full  
2 unless the deposit is insufficient, in which case each  
3 approved claim shall be paid a pro rata share of the  
4 deposit.

5 (g) When the ~~Controller~~ *Secretary of State* approves  
6 the first claim against a particular deposit after the  
7 expiration of a 240-day period, the date of approval of that  
8 claim shall begin a new 240-day period to which  
9 subdivision (f) shall apply with respect to the amount  
10 remaining in the deposit.

11 (h) After a deposit is exhausted, no further claims shall  
12 be paid by the ~~Controller~~ *Secretary of State*. Claimants  
13 who have had their claims paid in full or in part pursuant  
14 to subdivisions (f) and (g) shall not be required to return  
15 funds received from the deposit for the benefit of other  
16 claimants.

17 (i) When a deposit has been made in lieu of a bond, the  
18 amount of the deposit shall not be subject to attachment,  
19 garnishment, or execution with respect to an action or  
20 judgment against the nurses' registry, other than as to an  
21 amount as no longer needed or required for the purpose  
22 of this title that would otherwise be returned to the  
23 nurses' registry by the ~~Controller~~ *Secretary of State*.

24 (j) The ~~Controller~~ *Secretary of State* shall retain a cash  
25 deposit for two years from the date the ~~Controller~~  
26 *Secretary of State* receives written notification from the  
27 assignor of the deposit that the assignor has ceased to  
28 engage in the business of a nurse's registry or has filed a  
29 bond pursuant to subdivision (a), provided that there are  
30 no outstanding claims against the deposit. The written  
31 notice to the ~~Controller~~ *Secretary of State* shall include all  
32 of the following: (1) name, address, and telephone  
33 number of the assignor; (2) name, address, and telephone  
34 number of the bank at which the deposit is located; (3)  
35 account number of the deposit; and (4) a statement  
36 whether the assignor is ceasing to engage in the business  
37 of a nurse's registry or has filed a bond with the  
38 ~~Controller~~. ~~The Controller~~ *Secretary of State*. ~~The~~  
39 *Secretary of State* shall forward an acknowledgment of  
40 receipt of the written notice to the assignor at the address

1 indicated therein, specifying the date of receipt of the  
2 written notice and anticipated date of release of the  
3 deposit, provided there are no outstanding claims against  
4 the deposit.

5 (k) A judge of a municipal or superior court may order  
6 the return of the deposit prior to the expiration of two  
7 years upon evidence satisfactory to the judge that there  
8 are no outstanding claims against the deposit or order the  
9 ~~Controller~~ *Secretary of State* to retain the deposit for a  
10 specified period beyond the two years pursuant to  
11 subdivision (j) to resolve outstanding claims against the  
12 deposit.

13 (l) The ~~Controller~~ *Secretary of State* shall charge a  
14 filing fee not to exceed the cost of filing the bond or  
15 deposit filed in lieu of a bond pursuant to Section 995.710  
16 of the Code of Civil Procedure.

17 (m) The ~~Controller~~ *Secretary of State* shall enforce  
18 the provisions of this chapter that govern the filing and  
19 maintenance of bonds and deposits in lieu of bonds.

20 ~~SEC. 25.~~—

21 *SEC. 15.* Section 1812.600 of the Civil Code is  
22 amended to read:

23 1812.600. (a) Every auctioneer and auction company  
24 shall maintain a bond issued by a surety company  
25 admitted to do business in this state. The principal sum of  
26 the bond shall be twenty thousand dollars (\$20,000). A  
27 copy of the bond shall be filed with the ~~Controller~~  
28 *Secretary of State*.

29 (b) The bond required by this section shall be in favor  
30 of, and payable to, the people of the State of California  
31 and shall be for the benefit of any person or persons  
32 damaged by any fraud, dishonesty, misstatement,  
33 misrepresentation, deceit, unlawful acts or omissions, or  
34 failure to provide the services of the auctioneer or auction  
35 company in performance of the auction by the auctioneer  
36 or auction company or its agents, representatives, or  
37 employees while acting within the scope of their  
38 employment.

39 (c) (1) No auctioneer or auction company shall  
40 conduct any business without having a current surety

1 bond in the amount prescribed by this section and  
2 without filing a copy of the bond with the ~~Controller~~  
3 *Secretary of State*.

4 (2) Thirty days prior to the cancellation or termination  
5 of any surety bond required by this section, the surety  
6 shall send a written notice of that cancellation or  
7 termination to both the auctioneer or auction company  
8 and the ~~Controller~~ *Secretary of State*, identifying the  
9 bond and the date of cancellation or termination.

10 (3) If any auctioneer or auction company fails to  
11 obtain a new bond and file a copy of that bond with the  
12 ~~Controller~~ *Secretary of State* by the effective date of the  
13 cancellation or termination of the former bond, the  
14 auctioneer or auction company shall cease to conduct any  
15 business unless and until that time as a new surety bond  
16 is obtained and a copy of that bond is filed with the  
17 ~~Controller~~ *Secretary of State*.

18 (d) A deposit may be made in lieu of a bond as set forth  
19 in Section 995.710 of the Code of Civil Procedure. When  
20 a deposit is made in lieu of the bond, the person asserting  
21 the claim against the deposit shall establish the claim by  
22 furnishing evidence to the ~~Controller~~ *Secretary of State*  
23 of a money judgment entered by a court together with  
24 evidence that the claimant is a person described in  
25 subdivision (b).

26 (e) When a claimant has established the claim with the  
27 ~~Controller, the Controller~~ *Secretary of State, the State*  
28 *Controller* shall review and approve the claim and enter  
29 the date of approval on the claim. The claim shall be  
30 designated an “approved claim.”

31 (f) When the first claim against a particular deposit has  
32 been approved, it shall not be paid until the expiration of  
33 a period of 240 days after the date of its approval by the  
34 ~~Controller~~ *Secretary of State*. Subsequent claims that are  
35 approved by the ~~Controller~~ *Secretary of State* within the  
36 same 240-day period shall similarly not be paid until the  
37 expiration of the 240-day period. Upon expiration of the  
38 240-day period, the ~~Controller~~ *Secretary of State* shall pay  
39 all approved claims from that 240-day period in full unless

1 the deposit is insufficient, in which case each approved  
2 claim shall be paid a pro rata share of the deposit.

3 (g) When the ~~Controller~~ *Secretary of State* approves  
4 the first claim against a particular deposit after the  
5 expiration of a 240-day period, the date of approval of that  
6 claim shall begin a new 240-day period to which  
7 subdivision (f) shall apply with respect to any amount  
8 remaining in the deposit.

9 (h) After a deposit is exhausted, no further claims shall  
10 be paid by the ~~Controller~~ *Secretary of State*. Claimants  
11 who have had their claims paid in full or in part pursuant  
12 to subdivision (f) or (g) shall not be required to return  
13 funds received from the deposit for the benefit of other  
14 claimants.

15 (i) When a deposit has been made in lieu of a bond, the  
16 amount of the deposit shall not be subject to attachment,  
17 garnishment, or execution with respect to an action or  
18 judgment against the auctioneer or auction company,  
19 other than as to that amount that is no longer needed or  
20 required for the purpose of this section that otherwise  
21 would be returned to the auctioneer or auction company  
22 by the ~~Controller~~ *Secretary of State*.

23 (j) The ~~Controller~~ *Secretary of State* shall retain a cash  
24 deposit for two years from the date the ~~Controller~~  
25 *Secretary of State* receives written notification from the  
26 assignor of the deposit that the assignor has ceased to  
27 engage in the business of an auctioneer or auction  
28 company or has filed a bond pursuant to subdivision (a),  
29 provided that there are no outstanding claims against the  
30 deposit. Written notification to the ~~Controller~~ *Secretary*  
31 *of State* shall include all of the following: (1) name,  
32 address, and telephone number of the assignor; (2) name,  
33 address, and telephone number of the bank at which the  
34 deposit is located; (3) account number of the deposit; and  
35 (4) a statement whether the assignor is ceasing to engage  
36 in the business of an auctioneer or auction company or has  
37 filed a bond with the ~~Controller~~. ~~The Controller~~  
38 *Secretary of State*. *The Secretary of State* shall forward an  
39 acknowledgment of receipt of the written notice to the  
40 assignor at the address indicated in the notice, specifying

1 the date of receipt of the written notice and anticipated  
2 date of release of the deposit, provided there are no  
3 outstanding claims against the deposit.

4 (k) A judge of a municipal or superior court may order  
5 the return of the deposit prior to the expiration of two  
6 years upon evidence satisfactory to the judge that there  
7 are no outstanding claims against the deposit or order the  
8 ~~Controller~~ *Secretary of State* to retain the deposit for a  
9 specified period beyond the two years pursuant to  
10 subdivision (j) to resolve outstanding claims against the  
11 deposit.

12 (l) If an auctioneer or auction company fails to  
13 perform any of the duties specifically imposed upon him  
14 or her pursuant to this title, any person may maintain an  
15 action for enforcement of those duties or to recover a civil  
16 penalty in the amount of one thousand dollars (\$1,000),  
17 or for both enforcement and recovery.

18 (m) In any action to enforce these duties or to recover  
19 civil penalties, or for both enforcement and recovery, the  
20 prevailing plaintiff shall be entitled to reasonable  
21 attorney's fees and costs, in addition to the civil penalties  
22 provided under subdivision (l).

23 (n) Notwithstanding the repeal of Chapter 3.7  
24 (commencing with Section 5700) of Division 3 of the  
25 Business and Professions Code by the act adding this  
26 chapter, any cash security in lieu of the surety bond  
27 formerly required and authorized by former Chapter 3.7  
28 (commencing with Section 5700) of Division 3 of the  
29 Business and Professions Code, shall be transferred to,  
30 and maintained by, the ~~Controller~~ *Secretary of State*.

31 (o) The ~~Controller~~ *Secretary of State* shall charge and  
32 collect a filing fee not to exceed the cost of filing the bond  
33 or deposit filed in lieu of a bond as set forth in Section  
34 995.710 of the Code of Civil Procedure.

35 (p) The ~~Controller~~ *Secretary of State* shall enforce the  
36 provisions of this chapter that govern the filing and  
37 maintenance of bonds and deposits in lieu of bonds.

38 ~~SEC. 26. Section 1812.604 of the Civil Code is~~  
39 ~~amended to read:~~

1 ~~1812.604. Except as otherwise provided in this title,~~  
2 ~~any person who violates any provision of this title is guilty~~  
3 ~~of a misdemeanor, which offense is punishable by a fine~~  
4 ~~not exceeding one thousand dollars (\$1,000), or by~~  
5 ~~imprisonment in a county jail for not more than one year,~~  
6 ~~or by both that fine and imprisonment. In addition, upon~~  
7 ~~a conviction of any violation of this chapter, or of any~~  
8 ~~crime related to the conduct of an auctioneer, the court~~  
9 ~~may issue an injunction and prohibit the convicted~~  
10 ~~person from acting as an auctioneer or an auction~~  
11 ~~company in this state, in which case the court shall inform~~  
12 ~~the Controller of that action.~~

13 ~~SEC. 27. Section 1812.607 of the Civil Code is~~  
14 ~~amended to read:~~

15 ~~1812.607. Every auction company and auctioneer~~  
16 ~~shall do all of the following:~~

17 ~~(a) Disclose his or her name, trade or business name,~~  
18 ~~telephone number, and bond number in all advertising of~~  
19 ~~auctions. A first violation of this subdivision is an~~  
20 ~~infraction subject to a fine of fifty dollars (\$50); a second~~  
21 ~~violation is subject to a fine of seventy-five dollars (\$75);~~  
22 ~~and a third or subsequent violation is subject to a fine of~~  
23 ~~one hundred dollars (\$100). This section shall not apply~~  
24 ~~to business cards, business stationery, or to any~~  
25 ~~advertisement that does not specify an auction date.~~

26 ~~(b) Post a sign, the dimensions of which shall be at least~~  
27 ~~18 inches by 24 inches, at the main entrance to each~~  
28 ~~auction, stating that the auction is being conducted in~~  
29 ~~compliance with Section 2328 of the Commercial Code,~~  
30 ~~Section 535 of the Penal Code, and the provisions of the~~  
31 ~~Civil Code. A first violation of this subdivision is an~~  
32 ~~infraction subject to a fine of fifty dollars (\$50); a second~~  
33 ~~violation is subject to a fine of seventy-five dollars (\$75);~~  
34 ~~and a third or subsequent violation is subject to a fine of~~  
35 ~~one hundred dollars (\$100).~~

36 ~~(c) Post or distribute to the audience the terms,~~  
37 ~~conditions, restrictions, and procedures whereby goods~~  
38 ~~will be sold at the auction, and announce any changes to~~  
39 ~~those terms, conditions, restrictions, and procedures~~  
40 ~~prior to the beginning of the auction sale. A first violation~~

1 of this subdivision is an infraction subject to a fine of fifty  
2 dollars (\$50); a second violation is subject to a fine of one  
3 hundred dollars (\$100); and a third or subsequent  
4 violation is subject to a fine of two hundred fifty dollars  
5 (\$250).

6 (d) Notify the Controller of any change in address of  
7 record within 30 days of the change. A violation of this  
8 subdivision is an infraction subject to a fine of fifty dollars  
9 (\$50).

10 (e) Notify the Controller of any change in the officers  
11 of a corporate license within 30 days of the change. A  
12 violation of this subdivision is an infraction subject to a  
13 fine of fifty dollars (\$50).

14 (f) Notify the Controller of any change in the business  
15 or trade name of the auctioneer or auction company  
16 within 30 days of the change. A violation of this  
17 subdivision is an infraction subject to a fine of fifty dollars  
18 (\$50).

19 (g) Keep and maintain, at the auctioneer's or auction  
20 company's address of record, complete and correct  
21 records and accounts pertaining to the auctioneer's or  
22 auction company's activity for a period of not less than  
23 two years. The records shall include the name and address  
24 of the owner or consignor and of any buyer of goods at any  
25 auction sale engaged in or conducted by the auctioneer  
26 or auction company, a description of the goods, the terms  
27 and conditions of the acceptance and sale of the goods, all  
28 written contracts with owners and consignors, and  
29 accounts of all moneys received and paid out, whether on  
30 the auctioneer's or auction company's own behalf or as  
31 agent, as a result of those activities. A first violation of this  
32 subdivision is a misdemeanor subject to a fine of five  
33 hundred dollars (\$500); and a second or subsequent  
34 violation is subject to a fine of one thousand dollars  
35 (\$1,000).

36 (h) Within 30 working days after the sale transaction,  
37 provide, or cause to be provided, an account to the owner  
38 or consignor of all goods that are the subject of an auction  
39 engaged in or conducted by the auctioneer or auction  
40 company. A first violation of this subdivision is a



1 ~~misdemeanor subject to a fine of five hundred dollars~~  
2 ~~(\$500); and a second or subsequent violation is subject to~~  
3 ~~a fine of one thousand dollars (\$1,000).~~

4 ~~(i) Within 30 working days after a sale transaction of~~  
5 ~~goods, pay or cause to be paid all moneys and proceeds~~  
6 ~~due to the owner or the consignor of all goods that were~~  
7 ~~the subject of an auction engaged in or conducted by the~~  
8 ~~auctioneer or auction company, unless delay is compelled~~  
9 ~~by legal proceedings or the inability of the auctioneer or~~  
10 ~~auction company, through no fault of his or her own, to~~  
11 ~~transfer title to the goods or to comply with any provision~~  
12 ~~of this chapter, the Commercial Code, or the Code of~~  
13 ~~Civil Procedure, or with any other applicable provision of~~  
14 ~~law. A first violation of this subdivision is a misdemeanor~~  
15 ~~subject to a fine of one thousand dollars (\$1,000); a second~~  
16 ~~violation is subject to a fine of one thousand five hundred~~  
17 ~~dollars (\$1,500); and a third or subsequent violation is~~  
18 ~~subject to a fine of two thousand dollars (\$2,000).~~

19 ~~(j) Maintain the funds of all owners, consignors,~~  
20 ~~buyers, and other clients and customers separate from his~~  
21 ~~or her personal funds and accounts. A violation of this~~  
22 ~~subdivision is an infraction subject to a fine of two~~  
23 ~~hundred fifty dollars (\$250).~~

24 ~~(k) Immediately prior to offering any item for sale,~~  
25 ~~disclose to the audience the existence and amount of any~~  
26 ~~liens or other encumbrances on the item, unless the item~~  
27 ~~is sold as free and clear. For the purposes of this~~  
28 ~~subdivision, an item is “free and clear” if all liens and~~  
29 ~~encumbrances on the item are to be paid prior to the~~  
30 ~~transfer of title. A violation of this subdivision is an~~  
31 ~~infraction subject to a fine of two hundred fifty dollars~~  
32 ~~(\$250) in addition to the requirement that the buyer be~~  
33 ~~refunded, upon demand, the amount paid for any item~~  
34 ~~that is the subject of the violation.~~

35 ~~(l) Within two working days after an auction sale,~~  
36 ~~return the blank check or deposit of each buyer who~~  
37 ~~purchased no goods at the sale. A first violation of this~~  
38 ~~subdivision is an infraction subject to a fine of one~~  
39 ~~hundred dollars (\$100); and a second or subsequent~~

~~violation is subject to a fine of two hundred fifty dollars (\$250).~~

~~(m) Within 30 working days of any auction sale, refund that portion of the deposit of each buyer that exceeds the cost of the goods purchased, unless delay is compelled by legal proceedings or the inability of the auctioneer or auction company, through no fault of his or her own, to transfer title to the goods or to comply with any provision of this chapter, the Commercial Code, or the Code of Civil Procedure, or with other applicable provisions of law, or unless the buyer violated the terms of a written agreement that he or she take possession of purchased goods within a specified period of time. A first violation of this subdivision is an infraction subject to a fine of one hundred dollars (\$100); and a second or subsequent violation is subject to a fine of two hundred fifty dollars (\$250).~~

~~SEC. 28. Section 1812.608 of the Civil Code is amended to read:~~

~~1812.608. In addition to other requirements and prohibitions of this title, it is a violation of this title for any person to do any of the following:~~

~~(a) Fail to comply with any provision of this code, or with any provision of the Vehicle Code, the Commercial Code, the Code of Civil Procedure, the Penal Code, or any law administered by the State Board of Equalization, relating to the auctioneering business, including, but not limited to, sales and the transfer of title of goods.~~

~~(b) Aid or abet the activity of any other person that violates any provision of this title. A violation of this subdivision is a misdemeanor subject to a fine of one thousand dollars (\$1,000).~~

~~(c) Place or use any misleading or untruthful advertising or statements or make any substantial misrepresentation in conducting auctioneering business. A first violation of this subdivision is a misdemeanor subject to a fine of five hundred dollars (\$500); and a second or subsequent violation is subject to a fine of one thousand dollars (\$1,000).~~

~~(d) Sell goods at auction before the auctioneer or auction company involved has first entered into a written contract with the owner or consignor of the goods, which contract sets forth the terms and conditions upon which the auctioneer or auction company accepts the goods for sale. The written contract shall include all of the following:~~

~~(1) The auctioneer's or auction company's name, trade or business name, business address, and business telephone number.~~

~~(2) An inventory of the item or items to be sold at auction.~~

~~(3) A description of the services to be provided and the agreed consideration for the services, which description shall explicitly state which party shall be responsible for advertising and other expenses.~~

~~(4) The approximate date or dates when the item or items will be sold at auction.~~

~~(5) A statement as to which party shall be responsible for insuring the item or items against loss by theft, fire, or other means.~~

~~(6) A disclosure that the auctioneer or auction company has a bond on file with the Controller. A first violation of this subdivision is an infraction subject to a fine of two hundred fifty dollars (\$250); a second violation is subject to a fine of five hundred dollars (\$500); and a third or subsequent violation is subject to a fine of one thousand dollars (\$1,000).~~

~~(e) Sell goods at auction before the auctioneer or auction company involved has first entered into a written contract with the auctioneer who is to conduct the auction. A first violation of this subdivision is an infraction subject to a fine of one hundred dollars (\$100); and a second or subsequent violation is subject to a fine of two hundred fifty dollars (\$250).~~

~~(f) Fail to reduce to writing all amendments or addenda to any written contract with an owner or consignor or an auctioneer. A first violation of this subdivision is an infraction subject to a fine of one hundred dollars (\$100); and a second or subsequent~~

~~violation is subject to a fine of two hundred fifty dollars (\$250).~~

~~(g) Fail to abide by the terms of any written contract required by this section. A first violation of this subdivision is an infraction subject to a fine of one hundred dollars (\$100); and a second or subsequent violation is subject to a fine of two hundred fifty dollars (\$250).~~

~~(h) Cause or allow any person to bid at a sale for the sole purpose of increasing the bid on any item or items being sold by the auctioneer, except as authorized by Section 2328 of the Commercial Code or by this title. A violation of this subdivision includes, but is not limited to, either of the following:~~

~~(1) Stating any increased bid greater than that offered by the last highest bidder when, in fact, no person has made such a bid.~~

~~(2) Allowing the owner, consignor, or agent thereof, of any item or items to bid on the item or items, without disclosing to the audience that the owner, consignor, or agent thereof has reserved the right to so bid.~~

~~A violation of this subdivision is an infraction subject to a fine of one hundred dollars (\$100).~~

~~(i) Knowingly misrepresent the nature of any item or items to be sold at auction, including, but not limited to, age, authenticity, value, condition, or origin. A violation of this subdivision is an infraction subject to a fine of two hundred fifty dollars (\$250). In addition, it shall be required that the buyer of the misrepresented item be refunded the purchase price of the item or items within 24 hours of return to the auctioneer or auction company of the item by the buyer, provided that the item is returned within five days after the date of the auction sale.~~

~~(j) Misrepresent the terms, conditions, restrictions, or procedures under which goods will be sold at auction. A violation of this subdivision is an infraction subject to a fine of seventy five dollars (\$75).~~

~~(k) Sell any item subject to sales tax without possessing a valid and unrevoked seller's permit from the State~~

~~Board of Equalization. A violation of this subdivision is an infraction subject to a fine of five hundred dollars (\$500).~~

~~SEC. 29.—~~

*SEC. 16. Section 995.710 of the Code of Civil Procedure is amended to read:*

995.710. (a) Except to the extent the statute providing for a bond precludes a deposit in lieu of bond or limits the form of deposit, the principal may, *until January 1, 1999*, instead of giving a bond, deposit with the officer any of the following:

(1) Lawful money of the United States. The money shall be maintained by the officer in an interest-bearing trust account.

(2) Bearer bonds or bearer notes of the United States or the State of California.

(3) Certificates of deposit payable to the officer, not exceeding the federally insured amount, issued by banks or savings associations authorized to do business in this state and insured by the Federal Deposit Insurance Corporation.

(4) Savings accounts assigned to the officer, not exceeding the federally insured amount, together with evidence of the deposit in the savings accounts with banks authorized to do business in this state and insured by the Federal Deposit Insurance Corporation.

(5) Investment certificates or share accounts assigned to the officer, not exceeding the federally insured amount, issued by savings associations authorized to do business in this state and insured by the Federal Deposit Insurance Corporation.

(6) Certificates for funds or share accounts assigned to the officer, not exceeding the guaranteed amount, issued by a credit union, as defined in Section 14002 of the Financial Code, whose share deposits are guaranteed by the National Credit Union Administration or guaranteed by any other agency approved by the Department of Financial Institutions.

(b) The deposit shall be in an amount or have a face value, or in the case of bearer bonds or bearer notes have a market value, equal to or in excess of the amount that

1 would be required to be secured by the bond if the bond  
2 were given by an admitted surety insurer.  
3 Notwithstanding any other provision of this chapter, in  
4 the case of a deposit of bearer bonds or bearer notes other  
5 than in an action or proceeding, the officer may, in the  
6 officer's discretion, require that the amount of the deposit  
7 be determined not by the market value of the bonds or  
8 notes but by a formula based on the principal amount of  
9 the bonds or notes.

10 (c) The deposit shall be accompanied by an  
11 agreement executed by the principal authorizing the  
12 officer to collect, sell, or otherwise apply the deposit to  
13 enforce the liability of the principal on the deposit. The  
14 agreement shall include the address at which the  
15 principal may be served with notices, papers, and other  
16 documents under this chapter.

17 (d) The officer may prescribe terms and conditions to  
18 implement this section.

19 *(e) As specified in subdivision (a), this section may not*  
20 *be utilized after January 1, 1999. Any principal who made*  
21 *a deposit pursuant to this section prior to January 1, 1999,*  
22 *may continue to utilize that deposit in lieu of a bond*  
23 *pursuant to this section and the statute that prescribes a*  
24 *bond; however, the deposit shall not be renewable*  
25 *pursuant to this section.*

26 SEC. 17. Section 1279 of the Code of Civil Procedure  
27 is amended to read:

28 1279. A certified copy of the decree of the court,  
29 changing the name of a person, shall within 30 days from  
30 the date of the decree, be filed in the office of the county  
31 clerk in the county in which the person lives.

32 ~~SEC. 30.—~~

33 SEC. 18. Section 318 of the Corporations Code is  
34 repealed.

35 ~~SEC. 31.—~~

36 SEC. 19. Section 319 is added to the Corporations  
37 Code, to read:

38 319. (a) The Secretary of State may transfer the  
39 information contained in the registry of distinguished  
40 women and minorities who are available to serve on



1 corporate boards of directors developed pursuant to  
2 former Section 318, free of cost to any campus of the  
3 California State University or University of California that  
4 is interested in maintaining the registry. If more than one  
5 campus of the California State University or University of  
6 California expresses interest in maintaining the registry,  
7 the Secretary of State shall select the campus based on a  
8 competitive selection process. Any campus selected to  
9 maintain the registry shall do so in a manner consistent  
10 with former Section 318 as it read on December 31, 1998.

11 (b) Funds deposited in the Secretary of State's  
12 Business Fees Fund pursuant to former Section 318 shall  
13 be transferred to the university selected to maintain the  
14 registry and shall be used to administer the registry  
15 program.

16 (c) In the event no university is selected by January 1,  
17 2000, to maintain the registry the Secretary of State shall,  
18 to the extent possible, refund the moneys in the Secretary  
19 of State's Business Fees Fund established pursuant to  
20 former Section 318 to the original registrants. Any  
21 remaining funds in the Secretary of State's Business Fees  
22 Fund shall be transferred to the Controller for  
23 administration pursuant to the Unclaimed Property Law  
24 (Chapter 7 (commencing with Section 1500) of Title 10  
25 of Part 3 of the Code of Civil Procedure).

26 ~~SEC. 32.—~~

27 *SEC. 20.* Section 12511 of the Education Code is  
28 amended to read:

29 12511. Pursuant to subdivision (i) of Article III of the  
30 compact, the commission shall file a copy of its bylaws and  
31 any amendment thereto with the Department of  
32 Education.

33 ~~SEC. 33.—~~

34 *SEC. 21.* Section 18342 of the Education Code is  
35 amended to read:

36 18342. (a) The Board of Trustees of the Santa Paula  
37 Union High School District in Ventura County may, by  
38 resolution, provide that the Santa Paula Union High  
39 School Public Library District shall be governed by a  
40 separate board of trustees. Upon adoption, the resolution

1 shall be filed with the County Clerk of the County of  
2 Ventura. The effective date of the resolution shall not be  
3 earlier than January 1, 1996.

4 (b) Upon the effective date of the resolution adopted  
5 pursuant to subdivision (a), the name of the Santa Paula  
6 Union High School Public Library District shall be the  
7 Blanchard/Santa Paula Library District.

8 (c) The governing board shall consist of five members,  
9 each of whom shall be a registered voter residing within  
10 the library district.

11 (d) Except for the initial board, members appointed  
12 pursuant to paragraph (1) of subdivision (f), and  
13 members described in subdivision (h), of the governing  
14 board shall hold office for a fixed term of four years,  
15 beginning on the last Friday in November next  
16 succeeding their appointment or election.

17 (e) Within 60 days after filing with the County Clerk  
18 of the County of Ventura of the resolution adopted  
19 pursuant to subdivision (a), the Board of Supervisors of  
20 the County of Ventura shall appoint the initial governing  
21 board of the library district. The appointments shall be  
22 made from the membership of the Library Commission  
23 of the Santa Paula Union High School Public Library  
24 District.

25 (f) The first board of trustee shall, at their first  
26 meeting, so classify themselves by lot that their terms  
27 shall expire:

28 (1) Two on the last Friday in November of the first  
29 even-numbered calendar year succeeding his or her  
30 appointment.

31 (2) Three on the last Friday of November of the  
32 second succeeding even-numbered calendar year.

33 (g) The district shall continue to receive revenues,  
34 including apportioned property taxes and authorized  
35 special taxes as if it were still the Santa Paula Union High  
36 School Public Library District. There shall be no change  
37 in district powers or responsibilities.

38 (h) Notwithstanding any other provision of law, those  
39 persons elected to the board of trustees in 1997 shall hold  
40 office for a fixed five-year term.



~~SEC. 34.—~~

SEC. 22. Section 19420 of the Education Code is amended to read:

19420. Within 30 days after the filing with the county clerk or county board of supervisors of the resolution declaring the organization of the district, the supervising board of supervisors shall appoint the required number of library trustees from the district at large.

~~SEC. 35.—~~

SEC. 23. Section 113 of the Government Code is amended to read:

113. The Legislature of California hereby consents to the retrocession of jurisdiction by the United States of land within this state upon and subject to each and all of the following express conditions:

(a) The United States must in writing have requested state acceptance of retrocession, and unless there is an officer of the United States empowered by a United States statute to cede jurisdiction, the request shall be by the act of Congress. The retrocession may return all jurisdiction to the state or may provide for concurrent jurisdiction.

(b) When the conditions of subdivision (a) have been found and declared to have occurred and to exist, by the State Lands Commission, the commission shall hold a hearing to determine whether acceptance of the retrocession is in the best interests of the state. Notice of the hearing shall be published pursuant to Section 6061 in each county in which the land or any part of the land is situated and a copy of the notice shall be personally served upon the clerk of the board of supervisors of each such county. The State Lands Commission shall make rules and regulations governing the conditions and procedure of the hearings.

(c) The determination of the State Lands Commission shall be final and jurisdiction accepted shall become effective when certified copies of its orders or resolutions have been recorded in the office of the county recorder of each county in which any part of the land is situated. The State Lands Commission shall keep copies of its

1 orders or resolutions and make them available to the  
2 public upon request.

3 ~~SEC. 36.—~~

4 *SEC. 24.* Section 126 of the Government Code is  
5 amended to read:

6 126. Notwithstanding any other provision of law,  
7 general or special, the Legislature of California hereby  
8 cedes concurrent criminal jurisdiction to the United  
9 States within land held by the United States upon and  
10 subject to each and all of the following express limitations,  
11 conditions, and reservations, in addition to any other  
12 limitations, conditions, or reservations prescribed by law:

13 (a) The lands must be held by the United States for the  
14 erection of forts, magazines, arsenals, dockyards, and  
15 other needful buildings, or other public purpose within  
16 the purview of clause 17 of Section 8 of Article I of the  
17 Constitution of the United States, or for the  
18 establishment, consolidation, and extension of national  
19 forests under the act of Congress approved March 1, 1911,  
20 (36 Stat. 961) known as the “Weeks Act,” or for any other  
21 federal purposes.

22 (b) The cession must be pursuant to and in compliance  
23 with the laws of the United States.

24 (c) The United States must in writing have requested  
25 the state to cede concurrent criminal jurisdiction within  
26 such land and subject to each and all of the conditions and  
27 reservations in this section and in Section 7 of Article X  
28 of the Constitution prescribed.

29 (d) The State Lands Commission is authorized for the  
30 state to cede concurrent criminal jurisdiction to the  
31 United States, upon having found and declared that the  
32 conditions and reservations prescribed in subdivisions  
33 (a), (b), (c), and (g) have occurred and exist and that the  
34 cession is in the interest of the state. Certified copies of its  
35 orders or resolutions making these findings and  
36 declarations shall be recorded in the office of the county  
37 recorder of each county in which any part of the land is  
38 situated. The State Lands Commission shall keep copies  
39 of its orders or resolutions and make them available to the  
40 public upon request. The purposes for which concurrent

1 criminal jurisdiction is ceded shall be specified in and  
2 made a part of the orders or resolutions.

3 (e) Jurisdiction ceded pursuant to this section  
4 continues only so long as the land continues to belong to  
5 the United States and is held by it for the purpose for  
6 which jurisdiction is ceded in accordance and in  
7 compliance with each and all of the limitations,  
8 conditions, and reservations in this section prescribed, or  
9 for five years, whichever period is less.

10 (f) “Land held by the United States”, as used in this  
11 section means: (1) lands acquired in fee by purchase or  
12 condemnation, (2) lands owned by the United States that  
13 are included in the military reservation by presidential  
14 proclamation or act of Congress, (3) leaseholds acquired  
15 by the United States over private lands or state-owned  
16 lands, and (4) any other lands owned by the United States  
17 including, but not limited to, public domain lands that are  
18 held for a public purpose.

19 (g) In ceding concurrent criminal jurisdiction, the  
20 Legislature and the state reserve jurisdiction over the  
21 land, water, and use of water with full power to control  
22 and regulate the acquisition, use, control, and distribution  
23 of water with respect to the land affected by the cession.

24 (h) In ceding concurrent criminal jurisdiction, the  
25 Legislature and the state except and reserve to the state  
26 all deposits of minerals, including oil and gas, in the land,  
27 and to the state, or persons authorized by the state, the  
28 right to prospect for, mine, and remove the deposits from  
29 the land.

30 (i) Concurrent criminal jurisdiction shall vest when  
31 certified copies of the State Lands Commission’s orders or  
32 resolutions, making such finding or declaration, have  
33 been recorded in the office of the county recorder of each  
34 county in which any part of the land is situated.

35 The finding and declaration of the State Lands  
36 Commission provided for in subdivision (d) shall be made  
37 only after a public hearing. Notice of the hearing shall be  
38 published pursuant to Section 6061 in each county in  
39 which the land or any part of the land is situated and a  
40 copy of the notice shall be personally served upon the

1 clerk of the board of supervisors of each such county. The  
2 State Lands Commission shall make rules and regulations  
3 governing the conditions and procedure of the hearings,  
4 which shall provide that the cost of publication and  
5 service of notice and all other expenses incurred by the  
6 commission shall be borne by the United States.

7 The provisions of this section do not apply to any land  
8 or water areas heretofore or hereafter acquired by the  
9 United States for migratory bird reservations in  
10 accordance with Sections 10680 to 10685, inclusive, of the  
11 Fish and Game Code.

12 ~~SEC. 37.—~~

13 *SEC. 25.* Section 12302 of the Government Code is  
14 amended to read:

15 12302. The Treasurer may appoint one deputy  
16 treasurer at the annual salary as the Treasurer shall  
17 establish. The Treasurer may also designate and appoint,  
18 or terminate the designation and appointment of, any  
19 officer or employee of his or her office, in addition to the  
20 deputy treasurer, to have the powers and liabilities of a  
21 deputy. The appointment or termination of appointment  
22 shall be effective upon signing by the Treasurer. The  
23 Treasurer may also appoint and fix the salaries, subject to  
24 the State Civil Service Act (Part 2 (commencing with  
25 Section 18500) of Division 5), of such officers and  
26 employees as may be necessary to carry out the duties of  
27 the office. The Treasurer may appoint as civil executive  
28 officers: one cashier, one bond officer, one deposit officer,  
29 one vault officer, one principal accountant, one  
30 bookkeeper, and one secretary-stenographer.

31 ~~SEC. 38.—~~

32 *SEC. 26.* Section 12402 of the Government Code is  
33 amended to read:

34 12402. The Controller may organize his or her office  
35 into divisions and may, in conformity with the State Civil  
36 Service Act (Part 2 (commencing with Section 18500) of  
37 Division 5) and the State Constitution, appoint deputy  
38 controllers, chiefs of divisions, and other subordinate  
39 officers and employees as may be necessary for the  
40 proper conduct of the office. In addition to deputy

1 controllers that may hold title and office pursuant to the  
2 power of appointment vested in the Controller by Section  
3 4 of Article VII of the State Constitution or pursuant to  
4 appointment of an established classification in the state  
5 civil service, the Controller may designate and appoint,  
6 or terminate the designation and appointment of, any  
7 officers or employees of his or her office having status in  
8 other classifications in the state civil service, to act as  
9 deputy controllers while performing the duties of their  
10 established classifications. Appointments and  
11 terminations of appointments made pursuant to this  
12 section shall be effective when signed by the Controller.

13 ~~SEC. 39. Section 13299 of the Government Code is~~  
14 ~~amended to read:~~

15 ~~13299. After each count of money the State Auditor~~  
16 ~~shall make and cause to be published in some newspaper~~  
17 ~~in the City of Sacramento, an affidavit showing:~~

18 ~~(a) The amount of money or credit that should be in~~  
19 ~~the State Treasury.~~

20 ~~(b) The amount and kind of money or credit actually~~  
21 ~~in the State Treasury.~~

22 ~~SEC. 40.—~~

23 ~~SEC. 27. Section 23600 of the Government Code is~~  
24 ~~amended to read:~~

25 23600. The county seats of the respective counties of  
26 the state, as fixed by law and designated in this article, are  
27 declared to be the county seats of the respective counties.  
28 In any case where a county seat is an incorporated city,  
29 it includes all territory heretofore or hereafter annexed  
30 to the incorporated city.

31 The board of supervisors shall designate by resolution  
32 an alternative temporary county seat, which may be  
33 outside the boundaries of the county, for use in the event  
34 of war or enemy-caused disaster, or the imminence  
35 thereof, but real property outside the boundaries of the  
36 county shall not be purchased by a county for use as a  
37 temporary county seat. A copy of the resolution shall be  
38 filed with the appropriate county officials in that county  
39 and the alternative county. A different temporary county

1 seat may be so designated at any time as circumstances  
2 indicate the desirability of such a change.

3 The board, and any county officer or agency as directed  
4 by the board, shall provide such facilities of any kind at  
5 the temporary county seat as appear desirable for the  
6 functioning of the government of the county at the  
7 temporary county seat in the event that it becomes  
8 necessary, pursuant to this section.

9 ~~SEC. 41.—~~

10 *SEC. 28.* Section 23713 of the Government Code is  
11 amended to read:

12 23713. Two copies of the complete text of a charter  
13 proposal or of any revised, amended, or repealed section  
14 ratified by the electors of a county shall be certified and  
15 authenticated by the chairperson and clerk of the  
16 governing body and attested by the county elections  
17 official, setting forth the submission of the charter to the  
18 electors of the county, and its ratification by them. One  
19 copy shall be recorded in the office of the recorder of the  
20 county and then shall be filed in the office of the county  
21 elections official.

22 The county elections official shall record the second  
23 copy along with the following:

24 (a) Certified copies of all publications and notices  
25 required of the county by this chapter or by the laws of  
26 this state in connection with an election to propose or  
27 revise a county charter.

28 (b) Certified copies of any arguments for or against  
29 the charter proposal or revision that were mailed to  
30 voters pursuant to Sections 9162 and 13303 of the  
31 Elections Code.

32 (c) A certified abstract of the vote at the election at  
33 which the charter proposal or revision was approved by  
34 the voters.

35 ~~SEC. 42.—~~

36 *SEC. 29.* Section 25004 of the Government Code is  
37 amended to read:

38 25004. It may adopt a seal. A description and  
39 impression of the seal shall be filed in the office of the  
40 county clerk.

~~SEC. 43.—~~

*SEC. 30.* Section 34460 of the Government Code is amended to read:

34460. Two copies of the complete text of a charter proposal or of any amended or repealed section ratified by the voters of a city or city and county shall be certified and authenticated by the chairperson and the clerk of the governing body and attested by the city clerk, setting forth the submission of the charter to the voters of the city, and its ratification by them. One copy shall be filed with the recorder of the county in which the city is located, and one in the archives of the city. In the case of a city and county, one copy shall be filed with the recorder thereof, and one in the archives of the city and county. Each copy filed with the recorder of the county or city and county and in the archives of the city or city and county shall be filed with the following:

(a) Certified copies of all publications and notices required of the city by this chapter or by the laws of this state in connection with the calling of an election to propose, amend, or repeal a city charter.

(b) Certified copies of any arguments for or against the charter proposal, amendment, or repeal which were mailed to voters pursuant to Sections 9281 and 13303 of the Elections Code.

(c) A certified abstract of the vote at the election at which the charter proposal, amendment, or repeal was approved by the voters.

~~SEC. 44.—~~

*SEC. 31.* Section 61230 of the Government Code is amended to read:

61230. By resolution, the board may change the name of the district. The change of name shall be effective upon recording a certified copy in the office of the county recorder of the county or counties in which the district is situated.

~~SEC. 45.—~~

*SEC. 32.* Section 65584.3 of the Government Code is amended to read:

1 65584.3. (a) A city that is incorporated to promote  
2 commerce and industry, that is located in the County of  
3 Los Angeles, and that has no residentially zoned land  
4 within its boundaries on January 1, 1992, may elect to  
5 adopt a housing element that makes no provision for new  
6 housing or the share of regional housing needs as  
7 determined pursuant to Section 65584 for the current and  
8 subsequent revisions of the housing element pursuant to  
9 Section 65588, for the period of time that 20 percent of all  
10 tax increment revenue accruing from all redevelopment  
11 projects, and required to be set aside for low- and  
12 moderate-income housing pursuant to Section 33334.2 of  
13 the Health and Safety Code, is annually transferred to the  
14 Housing Authority of the County of Los Angeles.

15 (b) (1) The amount of tax increment to be  
16 transferred each year pursuant to subdivision (a) shall be  
17 determined at the end of each fiscal year, commencing  
18 with the 1992–93 fiscal year. This amount shall be  
19 transferred within 30 days of the agency receiving each  
20 installment of its allocation of tax increment moneys,  
21 commencing in 1993.

22 (2) On or before December 31, 1992, the agency shall  
23 make an additional payment to the Housing Authority of  
24 the County of Los Angeles that eliminates any  
25 indebtedness to the low- and moderate-income housing  
26 fund pursuant to Section 33334.3. This amount shall be  
27 reduced by any amount actually expended by the  
28 redevelopment agency for principal or interest payments  
29 on agency bonds issued prior to the effective date of the  
30 act that adds this section, when that portion of the  
31 agency's tax increment revenue representing the low-  
32 and moderate-income housing set-aside funds was  
33 lawfully pledged as security for the bonds, and only to the  
34 extent that other tax increment revenue in excess of the  
35 20 percent low- and moderate-income set-aside funds is  
36 insufficient in that fiscal year to meet in full the principal  
37 and interest payments.

38 (c) The Department of Housing and Community  
39 Development shall annually review the calculation and  
40 determination of the amount transferred pursuant to



1 subdivisions (a) and (b). The department may conduct  
2 an audit of these funds if and when the Director of  
3 Housing and Community Development deems an audit  
4 appropriate.

5 (d) The amount transferred pursuant to subdivisions  
6 (a) and (b) shall fulfill the obligation of that city's  
7 redevelopment agency to provide for housing for low-  
8 and moderate-income families and individuals pursuant  
9 to Sections 33334.2 to 33334.16, inclusive, of the Health  
10 and Safety Code. The use of these funds for low- and  
11 moderate-income families in the region of the Southern  
12 California Association of Governments within which the  
13 city is located shall be deemed to be of benefit to the city's  
14 redevelopment project areas.

15 (e) (1) The amount transferred pursuant to  
16 subdivisions (a) and (b) to the Housing Authority of the  
17 County of Los Angeles shall be expended to provide  
18 housing and assistance, including, but not limited to, that  
19 specified in subdivision (e) of Section 33334.2 of the  
20 Health and Safety Code for low- and moderate-income  
21 families and individuals, in the region of the Southern  
22 California Association of Governments within which the  
23 city is located.

24 (2) Funds expended pursuant to this subdivision shall  
25 be expended in accordance with all of the following:

26 (A) The funds shall be expended for the construction  
27 of low- and moderate-income housing located no further  
28 than 15 miles from the nearest boundary line of the City  
29 of Industry.

30 (B) The low- and moderate-income housing  
31 constructed pursuant to this subdivision shall be in  
32 addition to any other housing required by the housing  
33 element of the general plan of the jurisdiction in which  
34 the low- and moderate-income housing is constructed.

35 (C) Funds may be encumbered by the Housing  
36 Authority of the County of Los Angeles for the purposes  
37 of this subdivision only after the authority has prepared  
38 a written plan for the expenditure of funds to be  
39 transferred to the authority pursuant to this subdivision

1 and has filed a copy of this expenditure plan with the  
2 Department of Housing and Community Development.

3 (f) A city that meets the conditions specified in  
4 subdivision (d) shall continue to have responsibility for  
5 preparing a housing element pursuant to Section 65583  
6 only to the extent to which the assessment of housing  
7 needs, statement of goals and objectives, and the five-year  
8 schedule of actions relate to the city's plan to maintain,  
9 preserve, and improve the housing that exists in the city  
10 on the effective date of the act which adds this section.

11 (g) This section shall not become operative unless and  
12 until a parcel of land, to be dedicated for the construction  
13 of a high school, is transferred pursuant to a written  
14 agreement between the City of Industry and the Pomona  
15 Unified School District, and a copy of this agreement is  
16 filed with the County Clerk of the County of Los Angeles.

17 ~~SEC. 46.—~~

18 *SEC. 33.* Section 68083 of the Government Code is  
19 amended to read:

20 68083. (a) Upon the occurrence of a vacancy in a  
21 municipal court judgeship, other than the sole remaining  
22 municipal court judgeship for the county, if the Governor  
23 finds there are sufficient funds for the conversion of a  
24 municipal court judgeship into a superior court judgeship  
25 and finds that the administration of justice would be  
26 advanced by such a conversion, the number of municipal  
27 court judges for the county shall then be reduced by one  
28 and the number of superior court judges for the county  
29 shall be increased by one. Prior to making a  
30 determination, the Governor shall consider the following  
31 factors:

32 (1) The geographic separation of the two courts.

33 (2) The fiscal impact of the conversion.

34 (3) The existence of a coordination plan approved  
35 pursuant to Section 68112 that permits blanket  
36 cross-assignment of superior court judges and municipal  
37 court judges to assist in the timely processing of cases  
38 before all of the courts in the county.

39 (b) For purposes of this section, a vacancy in a  
40 municipal court judgeship shall be deemed to occur only

1 upon the appointment or election of a municipal court  
2 judge to another office, or to a court other than a superior  
3 court judgeship that was created within three years  
4 pursuant to this section, upon the removal or death of the  
5 municipal court judge holding that judgeship, or upon the  
6 resignation or retirement of a municipal court judge who  
7 has reached the age of retirement.

8 (c) The Governor's finding shall become effective  
9 when signed by the Governor.

10 (d) When a finding by the Governor that a position  
11 should be reallocated takes effect, the Judicial Council  
12 shall reallocate to the superior court the funding in  
13 support of the municipal court salary and the chamber  
14 staff positions as well as any other required funding.

15 ~~SEC. 47.—~~

16 *SEC. 34.* Section 68116 of the Government Code is  
17 amended to read:

18 68116. Any order of the Chairperson of the Judicial  
19 Council pursuant to this chapter shall take effect  
20 immediately upon its issuance. The Chairperson of the  
21 Judicial Council may at any time revoke or terminate his  
22 or her order or any part of the order. The order of  
23 revocation or termination shall not affect the status or  
24 validity of any transfer made prior thereto or of trials in  
25 progress, and the judges presiding in these trials shall  
26 continue doing so until the trials have concluded.

27 ~~SEC. 48.—~~

28 *SEC. 35.* Section 2224 of the Health and Safety Code  
29 is amended to read:

30 2224. The county clerk shall immediately file for  
31 record in the office of the county recorder of each county  
32 in which any portion of the land embraced in the district  
33 is situated, and shall also forward to each board of  
34 supervisors of each of the other counties, if any, in which  
35 any portion of the district is situated, a certified copy of  
36 the order of the board of supervisors. From and after the  
37 date of the filing of the certified copy with all county  
38 recorders of the affected counties, the district named  
39 therein is organized as a district, with all the rights,

1 privileges, and powers set forth in this chapter, or  
2 necessarily incident to this chapter.

3 ~~SEC. 49.—~~

4 *SEC. 36.* Section 2226 of the Health and Safety Code  
5 is amended to read:

6 2226. Upon receipt of the certified copy of the  
7 resolution the board of supervisors shall:

8 (a) Enter an order changing the district's name to the  
9 name set forth in the resolution.

10 (b) Transmit a certified copy of the order to the board  
11 of supervisors of any other county in which any portion  
12 of the district is situated.

13 (c) Record a certified copy of the order in the office of  
14 the county recorder of each of the counties in which any  
15 portion of the district is situated.

16 (d) File a certified copy of the order in the office of the  
17 State Board of Equalization.

18 From and after the date of the filing of the certified  
19 copy with all county recorders and boards of supervisors  
20 of the affected counties, the new name shall be the official  
21 name of the district.

22 ~~SEC. 50.—~~

23 *SEC. 37.* Section 4739.5 of the Health and Safety Code  
24 is amended to read:

25 4739.5. By resolution, the board may change the name  
26 of the district. The change of name shall be effective upon  
27 recording a certified copy in the office of the county  
28 recorder of the county or counties in which the district is  
29 situated.

30 ~~SEC. 51.—~~

31 *SEC. 38.* Section 6501 of the Health and Safety Code  
32 is amended to read:

33 6501. By resolution, the board may change the name  
34 of the district. Any name resulting from a change shall  
35 include the words "Sanitary District" or shall be a name  
36 that is descriptive of the functions of the district. The  
37 change of name shall be effective upon recording a  
38 certified copy in the office of the county recorder of the  
39 county or counties in which the district is situated.

40 ~~SEC. 52.—~~



1     *SEC. 39.* Section 13830 of the Health and Safety Code  
2 is amended to read:

3     13830. If the district lies in one county, immediately  
4 after entering the resolution in the board minutes  
5 pursuant to Section 13829, the county clerk shall cause to  
6 be recorded in the office of the county recorder of the  
7 county for which he or she is county clerk a certified copy  
8 of the resolution forming the district. Thereupon, the  
9 organization of the district shall be complete.

10   ~~*SEC. 53.*~~

11     *SEC. 40.* Section 13876 of the Health and Safety Code  
12 is amended to read:

13     13876. A district board may adopt a resolution to  
14 change the name of the district. The resolution shall  
15 comply with the requirements of Chapter 23  
16 (commencing with Section 7530) of Division 7 of Title 1  
17 of the Government Code. Within 10 days of its adoption,  
18 the district board shall file a copy of the resolution with  
19 the county clerk, and the board of supervisors and the  
20 local agency formation commission of each county in  
21 which the district is located.

22   ~~*SEC. 54.*~~

23     *SEC. 41.* Section 25395 of the Health and Safety Code  
24 is amended to read:

25     25395. (a) Except as provided in subdivisions (b),  
26 (c), and (d), this chapter shall remain in effect only until  
27 January 1, 1999, and as of that date is repealed, unless a  
28 later enacted statute, which is enacted before January 1,  
29 1999, deletes or extends that date.

30     (b) On January 1, 1999, the Department of Finance  
31 shall submit a report to the Controller and Treasurer that  
32 states whether the principal of, and interest on, the bonds  
33 sold pursuant to Article 7.5 (commencing with Section  
34 25385) have been paid and the General Fund has been  
35 reimbursed for any and all amounts that were expended  
36 therefrom to pay the principal of, and interest on, those  
37 bonds. If the report states that the bonds have not been  
38 paid and the General Fund has not been reimbursed,  
39 then, notwithstanding subdivision (a), Article 1  
40 (commencing with Section 25300), Article 2

1 (commencing with Section 25310), Article 3  
2 (commencing with Section 25330), Article 4  
3 (commencing with Section 25340), Article 6  
4 (commencing with Section 25360), Article 7.5  
5 (commencing with Section 25385), and this article, shall  
6 not be repealed and shall remain in effect until the date  
7 specified in subdivision (c).

8 (c) If the articles specified in subdivision (b) remain  
9 in effect after January 1, 1999, pursuant to subdivision (b),  
10 on the date when the principal of, and interest on, the  
11 bonds sold pursuant to Article 7.5 (commencing with  
12 Section 25385) have been paid and the General Fund has  
13 been reimbursed for any and all amounts that were  
14 expended therefrom to pay the principal of, and interest  
15 on, those bonds, the Department of Finance shall submit  
16 a report to the Controller and Treasurer containing that  
17 information. The articles specified in subdivision (b) shall  
18 be repealed on the date that the report is submitted.

19 (d) Section 25364.6 shall not be repealed, except as  
20 provided in subdivision (j) of that section.

21 ~~SEC. 55.—~~

22 *SEC. 42.* Section 32137 of the Health and Safety Code  
23 is amended to read:

24 32137. The board of directors may, by resolution,  
25 change the name of the district. The change in the name  
26 of the district shall be effective upon the filing of a  
27 verified copy of the resolution with the county clerk of  
28 the county or counties in which the hospital district lies.

29 ~~SEC. 56.—~~

30 *SEC. 43.* Section 33102 of the Health and Safety Code  
31 is amended to read:

32 33102. The agency shall cause a certified copy of the  
33 ordinance to be filed in the office of the county clerk.

34 ~~SEC. 57.—~~

35 *SEC. 44.* Section 34116 of the Health and Safety Code  
36 is amended to read:

37 34116. The commission shall cause a certified copy of  
38 the ordinance to be filed with the Department of Housing  
39 and Community Development.

40 ~~SEC. 58.—~~

1     *SEC. 45.* Section 9626 of the Public Resources Code is  
2 amended to read:

3     9626. If the action of the board of supervisors on this  
4 request is favorable, it shall cause certified copies of the  
5 resolution to be forwarded to the board of directors  
6 initiating the request, the boards of supervisors and  
7 county clerks of all the other counties in which any  
8 portion of the district lies and the State Board of  
9 Equalization.

10    ~~SEC. 59.—~~

11     *SEC. 46.* Section 29728 of the Public Resources Code  
12 is amended to read:

13     29728. “Primary zone” means the delta land and  
14 water area of primary state concern and statewide  
15 significance which is situated within the boundaries of the  
16 delta, as described in Section 12220 of the Water Code,  
17 but that is not within either the urban limit line or sphere  
18 of influence line of any local government’s general plan  
19 or currently existing studies, as of January 1, 1992. The  
20 precise boundary lines of the primary zone includes the  
21 land and water areas as shown on the map titled “Delta  
22 Protection Zones” on file with the State Lands  
23 Commission. Where the boundary between the primary  
24 zone and secondary zone is a river, stream, channel, or  
25 waterway, the boundary line shall be the middle of that  
26 river, stream, channel, or waterway.

27    ~~SEC. 60.—~~

28     *SEC. 47.* Section 29731 of the Public Resources Code  
29 is amended to read:

30     29731. “Secondary zone” means all the delta land and  
31 water area within the boundaries of the delta not  
32 included within the primary zone, subject to the land use  
33 authority of local government, and that includes the land  
34 and water areas as shown on the map titled “Delta  
35 Protection Zones” on file with the State Lands  
36 Commission.

37    ~~SEC. 61.—~~

38     *SEC. 48.* Section 30150 of the Public Resources Code  
39 is amended to read:

1 30150. Notwithstanding the maps adopted pursuant  
2 to Section 17 of Chapter 1330 of the Statutes of 1976, as  
3 amended by Section 29 of Chapter 1331 of the Statutes of  
4 1976, the inland boundary of the coastal zone, as shown on  
5 the detailed coastal maps adopted by the commission on  
6 March 1, 1977, is amended by maps 1 to 35, inclusive,  
7 dated September 12, 1979, and which are on file in the  
8 office of the commission. Maps 1 to 35, inclusive, are  
9 hereby adopted by reference.

10 The areas deleted and added to the coastal zone are  
11 specifically shown on maps 1 to 35, inclusive, adopted by  
12 this section, and are generally described in this chapter.

13 ~~SEC. 62.—~~

14 *SEC. 49.* Section 7578 of the Public Utilities Code is  
15 amended to read:

16 7578. No contract of the type provided for in this  
17 article shall be valid as against any subsequent judgment  
18 creditor or any subsequent bona fide purchaser for value  
19 and without notice, unless all of the following conditions  
20 are met:

21 (a) The contract is evidenced by an instrument  
22 executed by the parties and duly acknowledged by the  
23 vendee, lessee, or bailee, as the case may be, or duly  
24 proved before some person authorized by law to take  
25 acknowledgments of deeds, and in the same manner as  
26 deeds are acknowledged or proved.

27 (b) Each car or locomotive engine so sold, leased, or  
28 hired, or contracted to be sold, leased, or hired has the  
29 name of the vendor, lessor, or bailor plainly marked in  
30 letters not less than one inch in size on each side thereof,  
31 followed by the word “owner,” or “lessor,” or “bailor,” as  
32 the case may be.

33 ~~SEC. 63.—~~

34 *SEC. 50.* Section 7579 of the Public Utilities Code is  
35 repealed.

36 ~~SEC. 64.—~~

37 *SEC. 51.* Section 11895 of the Public Utilities Code is  
38 amended to read:

39 11895. A district may, by resolution adopted by a  
40 majority of the board, change its name. A certified copy



1 of the resolution changing the name of the district shall  
2 be recorded in each county included in whole or in part  
3 within the district and shall be transmitted to the  
4 Treasurer.

5 ~~SEC. 65.—~~

6 *SEC. 52.* Section 22258 of the Public Utilities Code is  
7 amended to read:

8 22258. A certified copy of the resolution shall be  
9 recorded in the office of the recorder of each affected  
10 county.

11 ~~SEC. 66.—~~

12 *SEC. 53.* Section 29254 of the Public Utilities Code is  
13 repealed.

14 ~~SEC. 67.—~~

15 *SEC. 54.* Section 30205 of the Public Utilities Code is  
16 amended to read:

17 30205. Each director appointed by the Board of  
18 Supervisors of the County of Los Angeles shall be  
19 appointed by resolution, and each director appointed by  
20 the Mayor of the City of Los Angeles, subject to  
21 confirmation by the City Council of the City of Los  
22 Angeles, shall be confirmed by resolution, and certified  
23 copies of the resolutions, together with notices of  
24 appointments made thereby, shall be forwarded without  
25 delay to the secretary of the district and to the County  
26 Clerk of Los Angeles County.

27 ~~SEC. 68.—~~

28 *SEC. 55.* Section 30944 of the Public Utilities Code is  
29 repealed.

30 ~~SEC. 69.—~~

31 *SEC. 56.* Section 100464 of the Public Utilities Code is  
32 repealed.

33 ~~SEC. 70.—~~

34 *SEC. 57.* Section 27123 of the Streets and Highways  
35 Code is amended to read:

36 27123. Those directors appointed by the board of  
37 supervisors of a county shall be appointed by resolution  
38 of the board of supervisors, and a copy of the resolution  
39 shall be filed with the county clerk or maintained with the  
40 board of supervisors, and a certified copy of the resolution

1 shall be immediately forwarded to the Department of  
2 Transportation.

3 ~~SEC. 71.—~~

4 *SEC. 58.* Section 40305.5 of the Vehicle Code is  
5 amended to read:

6 40305.5. (a) Whenever a nonresident is arrested for  
7 violating any section of this code while driving a  
8 commercially registered motor vehicle, excluding house  
9 cars, with an unladen weight of 7,000 pounds or more, and  
10 does not furnish satisfactory evidence of identity and an  
11 address within this state at which he or she can be located,  
12 the arresting officer may, in lieu of the procedures set  
13 forth in Section 40305, accept a guaranteed traffic arrest  
14 bail bond certificate, and the nonresident shall be  
15 released from custody upon giving a written promise to  
16 appear as provided in Article 2 (commencing with  
17 Section 40500).

18 (b) Every guaranteed traffic arrest bail bond  
19 certificate shall contain all of the following information:

20 (1) The name and address of the surety and of the  
21 issuer, if other than the surety.

22 (2) The name, address, driver's license number and  
23 signature of the individual covered by the certificate.

24 (3) The maximum amount guaranteed.

25 (4) Exclusions from coverage.

26 (5) A statement that the issuing company guarantees  
27 the appearance of a person to whom a guaranteed traffic  
28 arrest bail bond certificate is issued and, in the event of  
29 failure of the person to appear in court at the time of trial,  
30 the issuing company shall pay any fine or forfeiture  
31 imposed on the person, not to exceed the amount stated  
32 on the certificate.

33 (6) The expiration date of the certificate.

34 (c) A guaranteed traffic arrest bail bond certificate  
35 may be issued by a surety admitted in this state. The  
36 certificate may also be issued by an association of motor  
37 carriers if all of the following conditions are met:

38 (1) The association is incorporated, or authorized to do  
39 business, in this state.

(2) The association is covered by a guaranteed traffic arrest bail bond issued by a surety admitted in this state.

(3) The association agrees to pay fines or bail assessed against the guaranteed traffic arrest bail bond certificate.

(4) The surety guarantees payment of fines or bail assessed against the guaranteed traffic arrest bail bond certificates issued by the association.

(d) The arresting officer shall file the guaranteed traffic arrest bail bond certificate with the notice to appear required to be filed by Section 40506.

(e) A “guaranteed traffic arrest bail bond certificate” is a document that guarantees the payment of fines or bail assessed against an individual for violation of this code, except driving while under the influence of alcohol or drugs, driving without a license or driving with a suspended or revoked license, operating a motor vehicle without the permission of the owner, or any violation punishable as a felony.

(f) A “guaranteed traffic arrest bail bond” is a bond issued by a surety guaranteeing the obligations of the issuer of guaranteed traffic arrest bail bond certificates. The bond shall be in the amount of fifty thousand dollars (\$50,000) and shall be filed with the Controller. Any court in this state may assess against the surety the amount of covered fines or bail that the issuer of a guaranteed traffic arrest bail bond certificate fails to pay.

~~SEC. 72.—~~

*SEC. 59.* Section 30321.5 of the Water Code is amended to read:

30321.5. The county clerk shall immediately cause to be filed with the county assessor and the State Board of Equalization a certificate listing all of the following:

(a) The name of the district.

(b) The date of the order declaring the district formed.

(c) The county or counties in which the district is located, and a map or plat indicating the boundaries established for the district as required by Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code.

1 If the order declaring the district formed contains all of  
2 the information required to be in the certificate, the  
3 county clerk may cause a copy of the order to be filed in  
4 lieu of the certificate.

5 ~~SEC. 73.—~~

6 *SEC. 60.* Section 30322 of the Water Code is amended  
7 to read:

8 30322. The district shall have been duly incorporated  
9 upon the filing of the certificate or a copy of the order  
10 declaring the district formed with the county assessor and  
11 the State Board of Equalization.

12 ~~SEC. 74.—~~

13 *SEC. 61.* Section 30323 of the Water Code is amended  
14 to read:

15 30323. From and after the date of the filing with the  
16 county assessor and the State Board of Equalization, the  
17 district named in the filing is incorporated as a county  
18 water district with all the rights, privileges, and powers  
19 set forth in this division and necessarily incident to this  
20 division.

21 ~~SEC. 75.—~~

22 *SEC. 62.* Section 31006 of the Water Code is amended  
23 to read:

24 31006. Notwithstanding any other provision of law,  
25 any district formed under this division may, by resolution  
26 of the board of the district spread on its minutes, change  
27 the name of the district. That changed name need not  
28 include the word “county.”

29 Certified copies of the resolution changing the name of  
30 the district shall be recorded in the office of the county  
31 recorder of every county, included in whole or in part, in  
32 the district and sent to the department.

33 ~~SEC. 76.—~~

34 *SEC. 63.* Section 34501 of the Water Code is amended  
35 to read:

36 34501. The board shall immediately file for record in  
37 the office of the county recorder of each affected county  
38 a certified copy of the order declaring the district formed  
39 along with a certificate listing all of the following:

40 (a) The name of the district.

1 (b) The date of formation.

2 (c) The county or counties in which the district is  
3 located, and a description of the boundaries of the district,  
4 or reference to a map showing the boundaries, which  
5 map shall be attached to the certificate, or reference to  
6 the county recorder's office where a description of the  
7 boundaries has been recorded.

8 ~~SEC. 77.—~~

9 *SEC. 64.* Section 34503 of the Water Code is repealed.

10 ~~SEC. 78.—~~

11 *SEC. 65.* Section 71598 of the Water Code is amended  
12 to read:

13 71598. A district may, by resolution of the board of  
14 directors spread on its minutes, change the name of the  
15 district. Certified copies of the resolution changing the  
16 name of the district shall be recorded in the office of the  
17 county recorder of every affected county and sent to the  
18 county clerk of every affected county.

19 ~~SEC. 79.—~~

20 *SEC. 66.* Section 10 of the County Water Authority  
21 Act (Chapter 545 of the Statutes of 1943), as amended by  
22 Section 2 of Chapter 1408 of the Statutes of 1985, is  
23 amended to read:

24 Sec. 10. (a) For the purposes of this section, the  
25 following definitions apply to the terms used: the term  
26 “city” means and includes any municipal corporation or  
27 municipality of the State of California, whether organized  
28 under a freeholder's charter or under the provisions of  
29 general law of the type and class of cities and  
30 incorporated towns; and the term “water district” means  
31 and includes any municipal water district, municipal  
32 utility district, public utility district, county water district,  
33 irrigation district, or any other public corporation or  
34 agency of the State of California of similar character.

35 (b) Territory may be annexed to any county water  
36 authority organized under this act by one of the following  
37 methods:

38 (1) By annexation to, or consolidation with, the area of  
39 any city, the area of which, as a separate unit, has become  
40 a part of any county water authority organized under this

1 act, the annexation or consolidation to occur upon  
2 compliance with the provisions of law governing the  
3 annexation to, or consolidation with, the area of the city.  
4 Upon completion of the annexation to, or consolidation  
5 with, the city in compliance with the provisions of law  
6 applicable thereto, the territory shall become, and be, a  
7 part of the county water authority, and the taxable  
8 property therein shall be subject to taxation thereafter for  
9 the purposes of the county water authority, including the  
10 payment of bonds and other obligations of the authority  
11 at the time authorized or outstanding.

12 (2) By annexation to, or consolidation with, any city  
13 which, as a separate unit, has become a part of any water  
14 district whose area, as a separate unit, has become a part  
15 of any county water authority organized under this act,  
16 in instances where, under the applicable provisions of law  
17 governing the change of boundaries of the water district,  
18 the annexation or consolidation automatically will result  
19 in the enlargement of the area of the water district, the  
20 annexation or consolidation to occur upon compliance  
21 with the provisions of law governing the annexation to, or  
22 consolidation with, the area of the city. Upon completion  
23 of the annexation to, or consolidation with, the city in  
24 compliance with the provisions of law applicable thereto,  
25 the territory shall become, and be, a part of the water  
26 district and of the county water authority, and the taxable  
27 property therein shall be subject to taxation thereafter for  
28 the purposes of the water district and of the county water  
29 authority, including payment of bonds and other  
30 obligations of the water district and of the county water  
31 authority at the time authorized or outstanding. If any  
32 territory has been so annexed to, or consolidated with,  
33 any city prior to the effective date of this paragraph,  
34 under conditions which would have resulted in the  
35 enlargement of the area of the county water authority  
36 had this paragraph then been in effect, upon compliance  
37 with the following provisions of this paragraph, the  
38 territory shall be annexed to, and shall become and be  
39 part of, the county water authority and shall be a part of

1 the water district for all purposes, the last-mentioned  
2 provisions being as follows:

3 (A) The governing body of the city, at any time after  
4 the effective date of this paragraph, may adopt an  
5 ordinance which, after reciting that the territory has been  
6 annexed to, or consolidated with, the city by proceedings  
7 previously taken under statutory authority, and after  
8 referring to the applicable statutes and to the date and  
9 place of filing of the certificate or certificates evidencing  
10 the annexation or consolidation, shall describe the  
11 territory and shall determine and declare that the  
12 territory shall be, and thereby is, annexed to the county  
13 water authority, and the ordinance shall further  
14 determine and declare that the territory shall become  
15 and be, and thereby is, a part of the county water  
16 authority, and shall be, and thereby is, a part of the water  
17 district for all purposes.

18 (B) The governing body, or clerk thereof, of the city  
19 shall file a certified copy of the ordinance with the county  
20 clerk. Upon the filing of the certified copy of the  
21 ordinance in the office of the county clerk, the territory  
22 shall become, and be, a part of the county water authority  
23 and shall be a part of the water district for all purposes,  
24 and the taxable property therein shall be subject to  
25 taxation thereafter for the purposes of the county water  
26 authority and of the water district, including the payment  
27 of bonds and other obligations of the county water  
28 authority at the time authorized or outstanding.

29 (C) Upon the filing of the certified copy of the  
30 ordinance, the county clerk of the county in which the  
31 county water authority is situated shall, within 10 days,  
32 issue a certificate, describing the territory, reciting the  
33 filing of the certified copy of the ordinance and the  
34 annexation of the territory to the county water authority,  
35 and declaring that the territory is a part of the county  
36 water authority and of the water district. The county  
37 clerk of the county in which the county water authority  
38 is situated shall transmit the original of the certificate to  
39 the secretary of the county water authority and a

1 duplicate of the original certificate to the clerk of the  
2 governing body of the water district.

3 (3) Upon terms and conditions fixed by the board of  
4 directors of the county water authority and in the manner  
5 provided in subdivision (c), by direct annexation, as a  
6 separate unit, of the corporate area of any water district  
7 or city.

8 (4) Upon terms and conditions fixed by the board of  
9 directors of the county water authority and in the manner  
10 provided in subdivision (d), by annexation to, or  
11 consolidation with, any water district, the area of which,  
12 in whole or in part, is included within the county water  
13 authority as a separate unit; provided that, unless the  
14 territory is so annexed to the county water authority with  
15 the consent of the board of directors, the annexation of  
16 territory to, or the consolidation of the territory with, the  
17 water district does not authorize or entitle the water  
18 district or the territory to demand or receive any water  
19 from the county water authority for use in the territory;  
20 and provided further, that, except where automatic  
21 annexation results under the conditions specified in  
22 paragraph (2), nothing in this act prevents the  
23 annexation of territory to, or the consolidation of territory  
24 with, any water district for its local purposes only and  
25 without annexing their territory to the county water  
26 authority, and the local annexation or consolidation may  
27 occur without requesting or obtaining the consent  
28 thereto of the board of directors of the county water  
29 authority.

30 (c) The governing body of any water district or city  
31 may apply to the board of directors of the county water  
32 authority for consent to annex the corporate area of the  
33 water district or city to the county water authority. The  
34 board of directors may grant or deny the application and,  
35 in granting the application, may fix the terms and  
36 conditions upon which the corporate area of the water  
37 district or city may be annexed to, and become a part of,  
38 the county water authority. These terms and conditions  
39 may provide, among other things, for the levy by the  
40 county water authority of special taxes upon taxable



1 property within the water district or city, in addition to  
2 the taxes authorized to be levied by the county water  
3 authority by other provisions of this act. In case these  
4 terms and conditions provide for the levy of these special  
5 taxes, the board of directors, in fixing these terms and  
6 conditions, shall specify the aggregate amount to be so  
7 raised and the number of years prescribed for raising the  
8 aggregate sum, and that substantially equal annual levies  
9 will be made for the purpose of raising the sum over the  
10 period so prescribed. The action of the board of directors,  
11 evidenced by resolution, shall be promptly transmitted to  
12 the governing body of the applying water district or city  
13 and, if the action grants consent to the annexation, the  
14 governing body may thereupon submit, to the qualified  
15 electors of the water district or city at any general or  
16 special election held therein, the proposition of the  
17 annexation subject to the terms and conditions. Notice of  
18 the election shall be mailed to each voter qualified to vote  
19 at the election and shall be given by posting or  
20 publication. When notice is given by posting, the notices  
21 shall be posted at least 10 days and in three public places  
22 in the water district or city. When notice is given by  
23 publication, the notice shall be published in the water  
24 district or city pursuant to Section 6061 of the  
25 Government Code, at least 10 days before the date fixed  
26 for the election. The notice shall contain the substance of  
27 the terms and conditions fixed by the board of directors.  
28 The election shall be conducted and the returns thereof  
29 canvassed in the manner provided by law for elections in  
30 the water district or city. If the proposition receives the  
31 affirmative vote of a majority of electors of the water  
32 district or city voting thereon at the election, the  
33 governing body of the water district or city shall certify  
34 the result of the election on the proposition to the board  
35 of directors of the county water authority, together with  
36 a legal description of the boundaries of the corporate area  
37 of the water district or city, accompanied by a map or plat  
38 indicating those boundaries. A certificate of proceedings  
39 shall be made by the secretary of the county water  
40 authority and filed with the county clerk of the county in

1 which the county water authority is situated. Upon the  
2 filing thereof in the office of the county clerk of the  
3 county in which the county water authority is situated,  
4 the corporate area of the water district or city shall  
5 become, and be, an integral part of the county water  
6 authority, and the taxable property therein shall be  
7 subject to taxation thereafter for the purposes of the  
8 county water authority, including the payment of bonds  
9 and other obligations of the county water authority at the  
10 time authorized or outstanding, and the board of  
11 directors of the county water authority may do all things  
12 necessary to enforce and make effective the terms and  
13 conditions of annexation fixed as authorized. Upon the  
14 filing of the certificate of proceedings, the county clerk  
15 of the county in which the county water authority is  
16 situated shall, within 10 days, issue a certificate, reciting  
17 the filing of the papers and the annexation of the  
18 corporate area of the water district or city to the county  
19 water authority. The county clerk of the county in which  
20 the county water authority is situated shall transmit the  
21 original of the certificate to the secretary of the county  
22 water authority.

23 (1) If a water district applies to a county water  
24 authority for consent to annex its corporate area, as a  
25 separate unit, the water district shall include as a part of  
26 its corporate area the corporate areas of any cities  
27 (whether one or more) which are already included  
28 within the county water authority as separate units, or the  
29 water district shall include as a part of its corporate area  
30 the corporate areas, or portion thereof, already included  
31 within the county water authority, of any water districts  
32 (whether one or more) whose corporate areas, in whole  
33 or in part, are already included within the county water  
34 authority as separate units. That fact shall be taken into  
35 consideration by the board of directors of the county  
36 water authority in fixing the terms and conditions upon  
37 which the applying water district may be annexed to the  
38 county water authority, to the end that the areas within  
39 the unit member cities or water districts which are  
40 already a part of the county water authority, shall not be

1 required to assume any greater financial burden or  
2 obligation to the county water authority than they would  
3 have had if they had remained a part of the county water  
4 authority as separate units.

5 Concurrently with any election called by an applying  
6 water district to submit to the qualified electors of the  
7 water district the question of whether the terms and  
8 conditions fixed by the board of directors of the county  
9 water authority for annexation shall be approved, the  
10 governing bodies of the unit member cities or water  
11 districts may call and hold elections within their  
12 respective corporate limits or portions thereof already  
13 included within the county water authority, to determine  
14 whether or not the cities or water districts shall withdraw  
15 from the county water authority as separate units, and the  
16 proposed withdrawal may be made and submitted  
17 conditioned upon and effective when the applying water  
18 district has finally been annexed to the county water  
19 authority.

20 The effect of the concurrent elections, if a majority of  
21 the electors of the applying water district voting thereat  
22 vote in favor of annexation, and a majority of the electors  
23 of the unit member cities or water districts voting thereat  
24 vote in favor of withdrawing, shall be that the annexing  
25 water district thereafter shall be authorized to exercise  
26 the privileges and to discharge the duties prescribed in  
27 this act for public agencies whose areas, as separate units,  
28 are included within the county water authority, in place  
29 of and instead of the cities or water districts so  
30 withdrawing. Notwithstanding Section 11 of this act, the  
31 areas within the withdrawing cities or water districts shall  
32 remain a part of the county water authority and shall not  
33 be excluded therefrom, notwithstanding the fact that the  
34 cities or water districts, as corporate entities, have  
35 withdrawn from the authority.

36 If the water district does annex to the county water  
37 authority, the directors representing the withdrawing  
38 cities or water districts on the board of directors of the  
39 county water authority shall continue to act until their  
40 successors have been chosen and designated by the

1 appropriate officers of the annexing water district and  
2 have qualified as members of the board of directors of the  
3 county water authority, after which time the directors  
4 representing the withdrawing cities or water districts  
5 shall no longer sit or vote on the board.

6 (2) If a water district applies to a county water  
7 authority for consent to annex its corporate area as a  
8 separate unit, the water district shall include as a part of  
9 its corporate area lands which are in public ownership  
10 exempt from taxation by a county water authority, and  
11 not within or adjacent to the area within the water district  
12 served with water by the district, and which are not to be  
13 supplied by the water district with water obtained from,  
14 and by reason of, its annexation to the county water  
15 authority. That fact may be taken into consideration by  
16 the board of directors of the county water authority in  
17 fixing the terms and conditions upon which the water  
18 district may be annexed to the county water authority  
19 and in determining the boundaries of the area to be  
20 annexed, and the county water authority may, in the  
21 discretion of its board of directors, annex all of the  
22 corporate area of the water district as a separate unit  
23 excepting that portion consisting of the publicly owned  
24 and tax-exempt lands.

25 (d) The governing body of any water district, the area  
26 of which, in whole or in part, is included within a county  
27 water authority as a separate unit, may apply to the board  
28 of directors of the county water authority for consent to  
29 annex to the county water authority territory which the  
30 water district seeks to annex to, or consolidate with, the  
31 water district, or territory which, without making the  
32 territory a part of the county water authority, already has  
33 been annexed to, or consolidated with, the water district.  
34 The board of directors may grant or deny the application  
35 and, in granting the application, may fix the terms and  
36 conditions upon which the territory may be annexed to,  
37 and become a part of, the county water authority. The  
38 terms and conditions may provide, among other things,  
39 for the levy by the county water authority of special taxes  
40 upon taxable property within the territory in addition to

1 the taxes authorized to be levied by the county water  
2 authority by other provisions of this act. In case the terms  
3 and conditions provide for the levy of those special taxes,  
4 the board of directors, in fixing those terms and  
5 conditions, shall specify the aggregate amount to be so  
6 raised and the number of years prescribed for raising that  
7 aggregate sum and that substantially equal annual levies  
8 will be made for the purpose of raising that sum over the  
9 period so prescribed. The action of the board of directors  
10 evidenced by resolution shall be promptly transmitted to  
11 the governing body of the applying water district and to  
12 the executive officer of the local agency formation  
13 commission of the county in which the county water  
14 authority is situated, who may defer the issuance of a  
15 certificate of filing until receipt of that resolution, and if  
16 the action grants consent to the annexation, the territory  
17 may be annexed to the county water authority as  
18 provided in paragraph (1) or (2).

19 (1) If the territory has not been previously annexed to,  
20 or consolidated with, the water district, upon completion  
21 of the annexation to, or consolidation with, the water  
22 district in compliance with the provisions of law  
23 applicable thereto, including this section, the territory  
24 shall become and be a part of the county water authority  
25 and the taxable property therein shall be subject to  
26 taxation thereafter for the purposes of the county water  
27 authority, including the payment of bonds and other  
28 obligations of the county water authority at the time  
29 authorized or outstanding, and the board of directors of  
30 the county water authority may do all things necessary to  
31 enforce and make effective the terms and conditions of  
32 annexation fixed; provided that, if the applicable  
33 provisions of law governing the annexation to, or  
34 consolidation with, the water district require any notice  
35 of any election called for the purpose of determining  
36 whether the proposed annexation or consolidation shall  
37 occur, or shall require any notice of hearing or other  
38 notice to be given to the residents or electors of, or owners  
39 of property in, the territory, the notice shall contain the  
40 substance of the terms and conditions of annexation to the

1 county water authority fixed by the board of directors of  
2 the county water authority; and provided further, that  
3 the local agency formation commission shall require that  
4 the annexation to the water district be subject to the  
5 terms and conditions fixed by the board of directors of the  
6 county water authority in addition to any other terms and  
7 conditions that may be required by the commission; and  
8 provided further, that the executive officer of the local  
9 agency formation commission having the duty of  
10 preparing, executing, and filing a certificate of  
11 completion resulting in the annexation to, or  
12 consolidation with, the water district, pursuant to the  
13 provisions of law applicable thereto, shall include in the  
14 certificate of completion the terms and conditions fixed  
15 by the board of directors of the county water authority in  
16 accordance with the provisions of this act, and shall file a  
17 duplicate of the certificate with the board of directors of  
18 the county water authority.

19 (2) If the territory sought to be annexed to a county  
20 water authority has been previously annexed to, or  
21 consolidated with, the water district, the governing body  
22 of the water district, upon being advised of the action of  
23 the board of directors of the county water authority, and  
24 if the action grants consent to the annexation, may submit  
25 to the qualified electors of the territory, if the territory  
26 has 12 or more registered voters, at any general or special  
27 election held therein, the proposition of the annexation  
28 to the county water authority subject to the terms and  
29 conditions fixed by the board of directors of the county  
30 water authority. Notice of the election shall be given by  
31 publication. When the notice is given by posting, the  
32 notice shall be posted at least 10 days and in three public  
33 places in the territory. When the notice is given by  
34 publication, the notice shall be published in the water  
35 district pursuant to Section 6061 of the Government Code  
36 at least 10 days before the date fixed for the election. The  
37 notice shall contain the substance of the terms and  
38 conditions fixed by the board of directors. The election  
39 shall be conducted and the returns thereof canvassed by  
40 the governing body of the water district in the manner

1 provided by law for elections in the water district. If the  
2 proposition receives the affirmative vote of a majority of  
3 electors of the territory voting thereon at the election, the  
4 governing body of the water district shall certify the  
5 result of the election on the proposition to the board of  
6 directors of the county water authority. If the territory  
7 has less than 12 registered voters, no election shall be  
8 required, and, following written notice to each owner of  
9 property shown on the last equalized assessment roll and  
10 the holding of a hearing not less than 10 days after that  
11 notice, the annexation may be approved upon the written  
12 consent of the owners of more than 50 percent of the  
13 assessed valuation of the territory. A certificate of  
14 proceedings shall be made by the secretary of the county  
15 water authority and filed with the county clerk of the  
16 county in which the county water authority is situated.  
17 Upon the filing thereof in the office of the county clerk  
18 of the county in which the county water authority is  
19 situated, the territory shall become, and be, a part of the  
20 county water authority, and the taxable property therein  
21 shall be subject to taxation thereafter for the purposes of  
22 the county water authority, including the payment of  
23 bonds and other obligations of the county water authority  
24 at the time authorized or outstanding, and the board of  
25 directors of the county water authority may do all things  
26 necessary to enforce and make effective the terms and  
27 conditions of annexation of the territory to the county  
28 water authority fixed by its board of directors. Upon the  
29 filing of the certificate of proceedings, the county clerk  
30 of the county in which the county water authority is  
31 situated shall, within 10 days, issue a certificate reciting  
32 the filing of the papers and the annexation of the territory  
33 to the county water authority. The county clerk of the  
34 county in which the county water authority is situated  
35 shall transmit the original of the certificate to the  
36 secretary of the county water authority.

37 (e) Should the corporate area, or all portions thereof  
38 already included within a county water authority, of any  
39 water district or city, the corporate area of which, in  
40 whole or in part, already is included within the county

1 water authority as a separate unit, annex to a water  
2 district or city the corporate area of which, in whole or in  
3 part, already is a part of the county water authority as a  
4 separate unit, upon the completion of the annexation  
5 pursuant to the law pertaining thereto, the water district  
6 or city, the corporate area (or portions thereof) of which  
7 is so annexed, shall automatically cease to be a separate  
8 unit member of the county water authority, but the  
9 corporate area (or portions thereof) shall remain a part  
10 of the county water authority as a part of the unit member  
11 water district or city to which it was annexed. The  
12 executive officer of the local agency formation  
13 commission having the duty of preparing, executing, and  
14 filing the certificate of completion shall file, in addition to  
15 any other filings that may be required by law, a duplicate  
16 of the certificate with the board of directors of the county  
17 water authority.

18 Should any water district or city, the corporate area of  
19 which, in whole or in part, already is included within a  
20 county water authority as a separate unit, consolidate  
21 with a water district or city the corporate area of which,  
22 in whole or in part, already is a part of the county water  
23 authority as a separate unit, under the provisions of any  
24 law by the terms of which, after consolidation, a new  
25 district or city will result and the former water districts or  
26 cities participating in the consolidation shall no longer  
27 exist, the resulting new water district or city shall be  
28 substituted for the water districts or cities whose  
29 corporate existence has been terminated by the  
30 consolidation as a unit member of the county water  
31 authority, and the corporate areas (or portions thereof)  
32 of the former water district or cities shall remain a part  
33 of the county water authority as a part of the  
34 consolidation. The executive officer of the local agency  
35 formation commission having the duty of preparing,  
36 executing, and filing a certificate of completion shall file,  
37 in addition to any other filings that may be required by  
38 law, a duplicate of the certificate with the board of  
39 directors of the county water authority.





1 (f) The validity of any proceedings for the annexation  
2 to any county water authority organized under this act,  
3 of the corporate area of a water district or city as a  
4 separate unit, or of territory annexed to, or consolidated  
5 with, a water district or city which, as a unit, has been  
6 included within a county water authority, shall not be  
7 contested in any action unless the action has been  
8 brought within three months after the completion of the  
9 annexation or, in case the annexation is completed prior  
10 to the time that this subdivision takes effect, then within  
11 three months after this subdivision became effective.

12 (g) Whenever territory is annexed to or consolidated  
13 with any water district, the corporate area of which, as a  
14 unit, has become a part of any county water authority  
15 organized under this act, regardless of whether the  
16 territory is annexed to and becomes a part of the county  
17 water authority, or whenever territory is annexed to any  
18 city under the conditions specified in paragraph (1) or  
19 (2) of subdivision (b), or whenever territory previously  
20 annexed to any city is annexed to the county water  
21 authority under the conditions specified in paragraph (2)  
22 of subdivision (b), the governing or legislative body, or  
23 clerk thereof, of the water district or city, shall file with  
24 the board of directors of the county water authority a  
25 statement of the change of boundaries of the water  
26 district or city, setting forth the legal description of the  
27 boundaries of the water district or city, as so changed, and  
28 of the part thereof within the county water authority,  
29 which statement shall be accompanied by a map or plat  
30 indicating those boundaries.

31 (h) The inclusion in a county water authority of the  
32 corporate area, in whole or in part, of any municipal  
33 water district, municipal utility district, public utility  
34 district, county water district, irrigation district, or other  
35 public corporation or agency of the state of similar  
36 character, referred to in Section 2, shall not destroy the  
37 identity or legal existence or impair the powers of any  
38 municipal water district, municipal utility district, public  
39 utility district, county water district, irrigation district, or  
40 other public corporation or agency of the state of similar

1 character, notwithstanding the identity of purpose or  
2 substantial identity of purpose of the county water  
3 authority.

4 (i) In determining the number of members of the  
5 board of directors of a county water authority organized  
6 under this act, and the number of votes to be cast by the  
7 directors, from the component public agencies, the  
8 corporate areas of which, in whole or in part, are included  
9 as units within the county water authority, there shall be  
10 considered only the assessed valuation of the property  
11 taxable for county water authority purposes lying in the  
12 public agencies and in the county water authority. The  
13 directors shall be appointed by the chief executive  
14 officers, with the consent and approval of the governing  
15 bodies, of the component public agencies, respectively,  
16 without regard to whether the chief executive officers or  
17 members of the governing bodies have been chosen from,  
18 or represent, areas of their respective public agencies  
19 which lie outside of the county water authority. The  
20 phrase “any water district, the corporate area of which is  
21 included within the county water authority” and the  
22 phrase “each city, the area of which shall be a part of any  
23 county water authority incorporated under this act,” and  
24 like phrases, used elsewhere in this act, shall be deemed  
25 to mean and refer to any water district or city, the  
26 corporate area of which, either in whole or in part, is  
27 included within the county water authority, but the  
28 duties and obligations of the county water authority shall  
29 extend only to that part of the corporate area of the water  
30 district or city that lies within the county water authority.  
31 As to the water district, city, or public agency, the  
32 corporate area of which lies partly within and partly  
33 without the county water authority, the word “therein”  
34 and the phrase “within the city” and like words and  
35 phrases, used elsewhere in this act, shall be deemed to  
36 mean and refer to that part of the corporate area of the  
37 water district, city, or public agency which lies within the  
38 county water authority. The charges for water supplied  
39 by the county water authority to any component public  
40 agency, pursuant to its request, shall be and become an

obligation of the public agency, regardless of whether the entire corporate area of the public agency is included within the county water authority, and the county water authority, in administrative and contractual matters, shall deal with the chief executive officers and governing bodies and other proper officials of the component public agencies as chosen or constituted under applicable laws governing the respective public agencies.

~~SEC. 80.—~~

*SEC. 67.* Section 10.2 of the County Water Authority Act (Chapter 545 of the Statutes of 1943), as added by Section 3 of Chapter 1457 of the Statutes of 1976, is amended to read:

Sec. 10.2. (a) Notwithstanding any other provisions of this act, territory within a federal military reservation may be annexed to any county water authority organized hereunder as a single member of an authority in the manner provided in this section. As used in this section, “federal military reservation” or “military reservation” means a single federal military reservation or separate but contiguous federal military reservations which are jointly annexed to a county water authority as a single member agency of an authority.

(b) Proceedings for the annexation of a military reservation shall be initiated by the adoption by the board of directors of an authority of a resolution proposing annexation of a military reservation to an authority as a member of an authority.

(c) The resolution proposing the annexation may provide that the annexation shall include one or more separate areas, which may be separately identified for assessing and tax collecting purposes, and that each such area may be subject to one or more of the following terms and conditions:

(1) The fixing and establishment of priorities for the use of, or right to use, water, or capacity rights in any public improvement or facilities, and the determination of, or limitation on, the quantity of, the purposes for which, and the places where, water may be delivered by the authority to the military reservation for military

1 purposes and uses incidental thereto, as well as for  
2 nonmilitary purposes.

3 (2) The levying by the authority of special taxes upon  
4 any private leasehold, possessory interest or other taxable  
5 property within the territory annexed, and the  
6 imposition and collection of special fees or charges prior  
7 to the annexation.

8 (3) Should portions of any area annexed hereunder be  
9 subsequently made available for nonmilitary purposes  
10 not in existence at the time of the annexation of the area,  
11 the board of directors of the authority may impose new  
12 terms and conditions for any subsequent service of water,  
13 directly or indirectly, by the authority to that area,  
14 including the separation of such an area for assessing and  
15 tax collecting purposes and the levying by the authority  
16 of special taxes on those portions.

17 (4) The effective date of the annexation.

18 (5) Any other matters necessary or incidental to any of  
19 the foregoing.

20 (d) A certified copy of the resolution proposing  
21 annexation shall be sent to the official in authority over  
22 the military reservation. If the military reservation  
23 consents in writing to the annexation and to the terms and  
24 conditions established by the board of directors, the board  
25 may, by resolution, order the annexation to the authority  
26 of the territory situated within the military reservation,  
27 subject to said terms and conditions.

28 (e) A certificate of proceedings taken hereunder shall  
29 be made by the secretary of the authority and filed with  
30 the county clerk of the county in which the county water  
31 authority is situated. Upon the filing in his or her office of  
32 the certificate of proceedings, the county clerk of the  
33 county in which the county water authority is situated  
34 shall, within 10 days, issue a certificate reciting the filing  
35 of such papers in his or her office and the annexation of  
36 the territory to the authority. The county clerk of the  
37 county in which the county water authority is situated  
38 shall transmit the original of said certificate to the  
39 secretary of the authority.



1 (f) Upon the filing of the certificate of proceedings  
2 with the county clerk of the county in which the county  
3 water authority is situated, or upon the effective date of  
4 the annexation provided for in the terms and conditions,  
5 whichever is later, the territory within the military  
6 reservation shall become and be an integral part of the  
7 authority, and the taxable property therein shall be  
8 subject to taxation thereafter for the purposes of said  
9 authority, including the payment of bonds and other  
10 obligations of the authority at the time authorized or  
11 outstanding, and the board of directors of the authority  
12 shall be empowered to do all things necessary to enforce  
13 and make effective the terms and conditions of  
14 annexation fixed as hereinabove authorized.

15 (g) On and after the effective date of the annexation,  
16 the military reservation shall be a separate unit member  
17 of the authority and shall be entitled to one  
18 representative on the board of directors of the authority.  
19 The representative shall be designated and appointed by  
20 the official in authority over the military reservation, shall  
21 hold office for a term of six years or until his or her  
22 successor is appointed and qualified, and may be recalled  
23 by that official. As a member of the board of directors, the  
24 representative of the military reservation shall be  
25 entitled to cast one vote on all questions, orders,  
26 resolutions and ordinances coming before the board  
27 notwithstanding the assessed valuation of property  
28 taxable for authority purposes within the military  
29 reservation.

30 (h) The transfer of ownership of the fee title of a  
31 military reservation, or of any portion thereof, to  
32 nonmilitary ownership after annexation to the authority  
33 pursuant to this section shall result in the automatic  
34 exclusion from the authority of the territory transferred  
35 to such ownership.

36 (i) If a county water authority is a member public  
37 agency of a metropolitan water district organized under  
38 the Metropolitan Water District Act (Chapter 200 of the  
39 Statutes of 1969), such metropolitan water district may  
40 impose any or all of the terms and conditions that may be

1 imposed by a county water authority pursuant to  
2 subdivisions (a) through (h) of this section in any  
3 resolution fixing the terms and conditions for the  
4 concurrent annexation of territory in a military  
5 reservation.

6 ~~SEC. 81.—~~

7 *SEC. 68.* Notwithstanding Section 17610 of the  
8 Government Code, if the Commission on State Mandates  
9 determines that this act contains costs mandated by the  
10 state, reimbursement to local agencies and school  
11 districts for those costs shall be made pursuant to Part 7  
12 (commencing with Section 17500) of Division 4 of Title  
13 2 of the Government Code. If the statewide cost of the  
14 claim for reimbursement does not exceed one million  
15 dollars (\$1,000,000), reimbursement shall be made from  
16 the State Mandates Claims Fund.

17 Notwithstanding Section 17580 of the Government  
18 Code, unless otherwise specified, the provisions of this act  
19 shall become operative on the same date that the act  
20 takes effect pursuant to the California Constitution.

